



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

HF84	2
HF85	8
HF86	10
HF87	12
HF88	16
HF89	18
HF90	27
HF91	30
HF92	34
HF93	41
HF94	47
HSB72	49
HSB73	55
HSB74	68
HSB75	74
SF62	86
SF63	88
SF64	91
SF65	95
SF66	97
SF67	101
SF68	104
SF69	106
SF70	111
SF71	113
SF72	116
SF73	118
SSB1083	122
SSB1084	125
SSB1085	129
SSB1086	132



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 84 - Introduced

HOUSE FILE 84

BY SHEETS, GASSMAN, HEATON,
MOMMSEN, MAXWELL, and
HANSON

A BILL FOR

1 An Act establishing a transportation cost supplement program
2 for school districts, authorizing the imposition of a
3 transportation cost supplement property tax and income
4 surtax, and including applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1201HH (5) 86
md/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 84

1 Section 1. Section 275.12, subsection 5, Code 2015, is
2 amended to read as follows:

3 5. The petition may include a provision that the
4 voter-approved physical plant and equipment levy provided in
5 section 298.2, the transportation cost supplement program
6 provided in section 298.17, or both, will be voted upon at the
7 election conducted under section 275.18. The petition may also
8 include a provision that the revenue purpose statement provided
9 in section 423F.3 will be voted upon at the election conducted
10 under section 275.18.

11 Sec. 2. Section 298.14, unnumbered paragraphs 1 and 2, Code
12 2015, are amended to read as follows:

13 For each fiscal year, the cumulative total of the percents of
14 surtax approved by the board of directors of a school district
15 and collected by the department of revenue under sections
16 257.21, 257.29, and 298.2, and 298.17, and the enrichment
17 surtax under section 442.15, Code 1989, and an income surtax
18 collected by a political subdivision under chapter 422D, shall
19 not exceed twenty percent.

20 A school district income surtax fund is created in the
21 office of treasurer of state. Income surtaxes collected by the
22 department of revenue under sections 257.21, 257.29, and 298.2,
23 and 298.17, and section 442.15, Code 1989, shall be deposited
24 in the school district income surtax fund to the credit of each
25 school district. A separate accounting of each surtax, by
26 school district, shall be maintained.

27 Sec. 3. NEW SECTION. 298.17 Transportation cost supplement
28 program — election.

29 1. a. A transportation cost supplement program is
30 established to provide additional funding for school districts
31 in which the district transportation costs per pupil exceed the
32 state average transportation costs per pupil, as those amounts
33 are determined under section 257.31, subsection 17, paragraph
34 "c".

35 b. The board of directors of a school district that

LSB 1201HH (5) 86

-1-

md/sc

1/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 84

1 satisfies the criteria of paragraph "a", may direct the
2 county commissioner of elections to submit the question of
3 participation in the transportation cost supplement program to
4 the registered voters of the school district at an election
5 held on a date specified in section 39.2, subsection 4,
6 paragraph "c". The question submitted to the voters of the
7 school district shall specify the period of consecutive years
8 that the school district may participate in the program,
9 if otherwise eligible under paragraph "a", not to exceed
10 ten consecutive years. If a majority of those voting on
11 the question favors participation in the program, the board
12 shall adopt a resolution to participate and shall certify the
13 results of the election to the department of management and the
14 district shall participate in the program. If a majority of
15 those voting on the question does not favor participation, the
16 district shall not participate in the program.

17 2. The transportation cost supplement program shall provide
18 additional revenues each fiscal year not to exceed an amount
19 equal to the district's actual enrollment used to calculate
20 the district's average transportation costs per pupil under
21 section 257.31, subsection 17, paragraph "c", multiplied by
22 the remainder of the district's average transportation costs
23 per pupil minus the state average transportation costs per
24 pupil, as those amounts are determined under section 257.31,
25 subsection 17, paragraph "c". However, such resulting amount
26 shall be reduced by the amount of transportation assistance
27 aid received by the district under section 257.31, subsection
28 17, for the same budget year, as defined in section 257.2, if
29 applicable. Certification of a district's participation for a
30 budget year, the method of funding, and the amount to be raised
31 shall be made to the department of management not later than
32 April 15 of the base year, as defined in section 257.2.

33 3. The transportation cost supplement program shall be
34 funded by either a transportation cost supplement property
35 tax or by the combination of a transportation cost supplement

LSB 1201HH (5) 86

-2-

md/sc

2/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 84

1 property tax and a transportation cost supplement income
2 surtax. The method of raising the transportation cost
3 supplement program moneys shall be determined by the board.
4 Subject to the limitation in section 298.14, if the board
5 uses a combination of a transportation property tax and a
6 transportation cost supplement income surtax, the board shall
7 determine the percent of income surtax to be imposed, expressed
8 as full percentage points, not to exceed twenty percent.

9 4. The department of management shall establish the amount
10 of the transportation cost supplement property tax to be levied
11 or the amount of the combination of the transportation cost
12 supplement property tax to be levied and the amount of the
13 transportation cost supplement income surtax to be imposed for
14 each school year that the transportation cost supplement amount
15 is authorized and the school district eligible under subsection
16 1, paragraph "a". The transportation cost supplement property
17 tax and income surtax, if an income surtax is imposed, shall be
18 levied and imposed, collected, and paid to the school district
19 in the manner provided for the instructional support program in
20 sections 257.21 through 257.26.

21 5. Revenues received by a school district from a
22 transportation cost supplement property tax or income surtax
23 imposed under this section shall be deposited in the general
24 fund of the school district and expended only for the cost
25 of repairing, maintaining, and fueling school district
26 transportation equipment and school buses, as defined in
27 section 321.1, subsection 69. Revenues received by a school
28 district under this section are miscellaneous income.

29 6. Except for an adjustment in the total amount authorized
30 to be collected under subsection 2, participation in the
31 transportation cost supplement program under this section shall
32 not affect a school district's eligibility for transportation
33 assistance under section 257.31, subsection 17.

34 7. Once approved at an election, the authority of the
35 board to use the transportation cost supplement program

LSB 1201HH (5) 86

-3-

md/sc

3/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 84

1 shall continue, subject to the period of years authorized at
2 election, until the board votes to discontinue the program or
3 the voters of the school district by majority vote order the
4 discontinuance of the program. The board shall submit at an
5 election held on a date specified in section 39.2, subsection
6 4, paragraph "c", the question of whether to discontinue the
7 program upon the receipt of a petition signed by not less than
8 one hundred eligible electors or thirty percent of the number
9 of electors voting at the last preceding school election,
10 whichever is greater.

11 8. Participation in the transportation cost supplement
12 program is not affected by a change in the boundaries of the
13 school district. If each school district involved in a school
14 reorganization under chapter 275 has approved a transportation
15 cost supplement program, and if the voters have not voted upon
16 the question of participation in the program in the reorganized
17 district, the program shall be in effect for the reorganized
18 district that has been approved for the least amount and the
19 shortest time in any of the districts.

20 Sec. 4. APPLICABILITY. This Act applies to school budget
21 years beginning on or after July 1, 2016.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill establishes a transportation cost supplement
26 program to provide additional funding for school districts
27 in which the district transportation costs per pupil exceed
28 the state average transportation costs per pupil. Under the
29 bill, the board of directors of such a school district may
30 direct the county commissioner of elections to submit the
31 question of participation in the program to the registered
32 voters of the school district. The question submitted to the
33 voters shall specify the period of consecutive years that the
34 school district may participate in the program not to exceed 10
35 consecutive years.

LSB 1201HH (5) 86

-4-

md/sc

4/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 84

1 The transportation cost supplement program provides
2 additional revenue each fiscal year not to exceed an amount
3 equal to the district's actual enrollment used to calculate
4 the district's average transportation costs, multiplied by
5 the remainder of the district's average transportation costs
6 per pupil minus the state average transportation costs per
7 pupil. This amount is required to be reduced by the amount of
8 transportation assistance aid received by the district under
9 current Code section 257.31(17), if any, for the same budget
10 year.

11 The bill authorizes the transportation cost supplement
12 program to be funded by either a transportation cost supplement
13 property tax or by the combination of a transportation cost
14 supplement property tax and a transportation cost supplement
15 income surtax. An income surtax imposed as part of the
16 transportation cost supplement program is subject to the 20
17 percent cumulative income surtax cap under Code section 298.14.

18 Revenues received by a school district from a transportation
19 cost supplement property tax or income surtax shall be
20 deposited in the general fund of the school district and
21 expended only for the cost of repairing, maintaining, and
22 fueling school district transportation equipment and school
23 buses, as defined in Code section 321.1(69). Revenues received
24 by a school district under this section are miscellaneous
25 income.

26 The bill provides that the transportation cost supplement
27 program may be discontinued by either school board action or
28 by petition and election and includes provisions relating to
29 participation in the transportation cost supplement program by
30 school districts involved in a school reorganization under Code
31 chapter 275.

32 The bill applies to school budget years beginning on or after
33 July 1, 2016.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 85 - Introduced

HOUSE FILE 85
BY HEDDENS

A BILL FOR

1 An Act relating to abuse of elders.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1654YH (2) 86
pf/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 85

1 Section 1. Section 235F.1, subsection 14, paragraph c, Code
2 2015, is amended to read as follows:

3 c. Is a person who is in a confidential relationship with
4 the vulnerable elder. ~~For the purposes of this paragraph "c", a~~
5 ~~confidential relationship does not include a legal, fiduciary,~~
6 ~~or ordinary commercial or transactional relationship the~~
7 ~~vulnerable elder may have with a bank incorporated under the~~
8 ~~provisions of any state or federal law, any savings and loan~~
9 ~~association or savings bank incorporated under the provisions~~
10 ~~of any state or federal law, any credit union organized under~~
11 ~~the provisions of any state or federal law, any attorney~~
12 ~~licensed to practice law in this state, or any agent, agency,~~
13 ~~or company regulated under chapter 505, 508, 515, or 543B The~~
14 determination of the existence of a confidential relationship
15 is an issue of fact to be determined by the court based upon the
16 totality of the circumstances.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill relates to elder abuse. The bill eliminates
21 a listing of persons who were exempt from the confidential
22 relationship requirement in order to be considered as standing
23 in a position of trust or confidence with a vulnerable elder
24 and thereby potentially subject to an allegation of financial
25 exploitation under the elder abuse Code chapter. The bill
26 provides instead that the determination of the existence of a
27 confidential relationship is an issue of fact to be determined
28 by the court based upon the totality of the circumstances.

LSB 1654YH (2) 86
pf/nh

1/1

-1-



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 86 - Introduced

HOUSE FILE 86
BY KRESSIG

A BILL FOR

1 An Act relating to the rights of a child in child in need of
2 assistance cases.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1377YH (3) 86
rh/rj



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 86

1 Section 1. Section 232.99, subsection 4, Code 2015, is
2 amended to read as follows:

3 4. a. When the dispositional hearing is concluded the
4 court shall make the least restrictive disposition appropriate
5 considering all the circumstances of the case.

6 b. The dispositions which may be entered under this division
7 are listed in sections 232.100 to 232.102 in order from least
8 to most restrictive.

9 c. In making a disposition under this section, the court
10 shall give primary consideration to the right of the child to
11 be safe and protected and the right to the best placement for
12 furthering the long-term nurturing and physical and emotional
13 health of the child.

14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with
16 the explanation's substance by the members of the general assembly.

17 This bill provides that in making a disposition upon an
18 adjudication of a child to be a child in need of assistance,
19 the court shall give primary consideration to the right of
20 the child to be safe and protected and the right to the best
21 placement for furthering the long-term nurturing and physical
22 and emotional health of the child.

LSB 1377YH (3) 86
rh/rj

1/1

-1-



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 87 - Introduced

HOUSE FILE 87
BY HEDDENS

A BILL FOR

1 An Act relating to financial exploitation of older individuals
2 and providing penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1652YH (2) 86
pf/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 87

1 Section 1. NEW SECTION. **726.11 Financial exploitation of an**
2 **older individual.**

3 1. A person commits financial exploitation of an older
4 individual when the person stands in a position of trust or
5 confidence with the older individual and knowingly and by undue
6 influence, deception, coercion, fraud, breach of fiduciary
7 duty, or extortion, obtains control over or otherwise uses
8 or diverts the benefits, property, resources, belongings, or
9 assets of the older individual.

10 2. A person who commits financial exploitation of an older
11 individual is guilty of the following, as applicable:

12 a. Financial exploitation in the fifth degree which is
13 a simple misdemeanor if the value of the funds, benefits,
14 property, resources, belongings, or assets is two hundred
15 dollars or less.

16 b. Financial exploitation in the fourth degree which is
17 a serious misdemeanor if the value of the funds, benefits,
18 property, resources, belongings, or assets exceeds two hundred
19 dollars but does not exceed five hundred dollars.

20 c. Financial exploitation in the third degree which is an
21 aggravated misdemeanor if the value of the funds, benefits,
22 property, resources, belongings, or assets exceeds five hundred
23 dollars but does not exceed one thousand dollars.

24 d. Financial exploitation in the second degree which is a
25 class "D" felony if the value of the funds, benefits, property,
26 resources, belongings, or assets exceeds one thousand dollars
27 but does not exceed ten thousand dollars.

28 e. Financial exploitation in the first degree which is a
29 class "C" felony if the value of the funds, benefits, property,
30 resources, belongings, or assets exceeds ten thousand dollars.

31 3. Nothing in this section shall be construed to limit other
32 remedies available to the older individual including those
33 provided under chapters 235F and 236.

34 4. A person alleged to have committed a violation under this
35 section shall be charged with the respective offense, unless

LSB 1652YH (2) 86

-1-

pf/nh

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 87

1 a charge may be brought based upon a more serious offense,
2 in which case the charge of the more serious offense shall
3 supersede the less serious charge.

4 5. Nothing in this section shall be construed to impose
5 criminal liability on a person who has made a good-faith effort
6 to assist an older individual in the management of the older
7 individual's benefits, property, resources, belongings, or
8 assets, but through no fault of the person, the person has been
9 unable to provide such assistance.

10 6. It shall not be a defense to financial exploitation of
11 an older individual that the alleged perpetrator did not know
12 the age of the older individual or reasonably believed that the
13 alleged victim was not an older individual.

14 7. For the purposes of this section:

15 a. "Caretaker" means a related or nonrelated person who has
16 the responsibility for the protection, care, or custody of an
17 older individual as a result of assuming the responsibility
18 voluntarily, by contract, through employment, or by order of
19 the court. "Caretaker" does not include a caretaker as defined
20 in section 235E.1.

21 b. "Coercion" means communication or conduct which compels
22 an older individual to act or refrain from acting against the
23 older individual's will.

24 c. "Fiduciary" means a person or entity with the legal
25 responsibility to make decisions on behalf of and for the
26 benefit of an older individual and to act in good faith and
27 with fairness. "Fiduciary" includes but is not limited to an
28 attorney in fact, a guardian, or a conservator.

29 d. "Older individual" means a person sixty years of age or
30 older.

31 e. "Stands in a position of trust or confidence" means the
32 person has any of the following relationships relative to the
33 older individual:

34 (1) Is a parent, spouse, adult child, or other relative by
35 consanguinity or affinity of the older individual.

LSB 1652YH (2) 86

-2-

pf/nh

2/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 87

1 (2) Is a caretaker for the older individual.

2 (3) Is a person who is in a confidential relationship with
3 the older individual. The determination of the existence of a
4 confidential relationship is an issue of fact to be determined
5 by the court based upon the totality of the circumstances.

6 f. "Undue influence" means taking advantage of a person's
7 role, relationship, or authority to improperly change or
8 obtain control over the actions or decision making of an older
9 individual against the older individual's best interests.

10 Sec. 2. CODE EDITOR DIRECTIVES. The Code editor shall
11 revise the title of chapter 726 to read "Protection of the
12 family, dependent persons, residents of health care facilities,
13 and older individuals".

14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with
16 the explanation's substance by the members of the general assembly.

17 This bill establishes the crime of financial exploitation of
18 an older individual. A person commits financial exploitation
19 of an older individual when the person stands in a position of
20 trust or confidence with the older individual and knowingly
21 and by undue influence, deception, coercion, fraud, breach of
22 fiduciary duty, or extortion, obtains control over or otherwise
23 uses the benefits, property, resources, belongings, or assets
24 of the older individual. The criminal penalties range from a
25 simple misdemeanor to a class "C" felony based on the amount
26 of benefits, property, resources, belongings, or assets of the
27 older individual involved.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 88 - Introduced

HOUSE FILE 88
BY HEARTSILL

A BILL FOR

1 An Act defining occasional work for purposes of the state child
2 labor law.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1526YH (4) 86
je/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 88

1 Section 1. Section 92.17, subsection 1, Code 2015, is
2 amended to read as follows:

3 1. Any part-time, occasional, or volunteer work for
4 nonprofit organizations generally recognized as educational,
5 charitable, religious, or community service in nature. For
6 purposes of this subsection, "occasional" means, unless
7 otherwise prohibited by federal law, a period lasting up to six
8 weeks, during which a child may work up to eight hours in one
9 day and up to forty hours in one week. A child under sixteen
10 years of age employed or volunteering outside school hours
11 shall not work more than four hours in a day in which school is
12 in session during such period.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 The state child labor law currently does not prohibit a child
17 from any part-time, occasional, or volunteer work for nonprofit
18 organizations generally recognized as educational, charitable,
19 religious, or community service in nature. "Occasional" is
20 not defined in statute. This bill defines "occasional" for
21 purposes of work performed under this provision.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 89 - Introduced

HOUSE FILE 89
BY ROGERS

A BILL FOR

1 An Act granting cities the power to borrow surplus moneys from
2 the city's reserves.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1663YH (4) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 Section 1. Section 384.4, subsection 1, Code 2015, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *f.* Payments of principal and interest on
4 loans entered into pursuant to section 384.24B and authorized
5 for repayment by the council from the debt service fund.

6 Sec. 2. NEW SECTION. **384.24B General obligation loans**
7 **funded by the city.**

8 1. For the purposes of this section, the following
9 definitions shall apply:

10 *a.* "*Loan*" means the sum of the transfers from the surplus
11 of one or more reserve accounts or funds of the city which
12 transfers are authorized for the purpose specified in the loan
13 authorization document.

14 *b.* "*Reserve account or fund*" means moneys held by a city
15 that are not operating funds, as defined in section 12B.10A,
16 and which account or fund is authorized by law to receive
17 interest pursuant to section 12C.7.

18 *c.* "*Surplus*" means the cash balance available in any account
19 or fund from which a loan will be made under this section which
20 exceeds the amount of expenses or disbursements made from
21 the account or fund in the previous three months, plus the
22 amount of transfers, payments, or disbursements required in the
23 following three months.

24 2. A city may authorize a loan to borrow money for any
25 general corporate purpose or essential corporate purpose in
26 accordance with and subject to the provisions of this section.

27 3. *a.* A transfer from a reserve account or fund for
28 the purposes of this section shall not cause the balance of
29 reserves in such account or fund at the close of the fiscal
30 year following the fiscal year in which the transfer is made
31 to fall below any minimum balance prescribed by law for such
32 account or fund.

33 *b.* A loan to finance a project under this section shall not
34 result in a user fee, rate, or property tax increase to support
35 the annual operations of the reserve account or fund from which

LSB 1663YH (4) 86

-1-

aw/sc

1/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 the loan is made, as a result of the unavailability of the
2 surplus funds.

3 4. a. A loan entered into by a city pursuant to this
4 section may contain provisions similar to those found in loan
5 agreements between private parties, including but not limited
6 to the issuance of notes to evidence its obligations. The
7 terms of each loan shall require repayment of the loan within
8 ninety days to the extent necessary to prevent a user fee,
9 rate, or property tax increase which raises the user fees,
10 rates, or property taxes payable into the account or fund from
11 which the loan is made above the level in effect at the time a
12 loan under this section is authorized.

13 b. A loan authorized pursuant to this section shall
14 constitute an indebtedness within the meaning of any
15 constitutional debt limitation and shall be reported by the
16 city to the state treasurer in the same manner as required
17 for bonding activities pursuant to section 12.1. The full
18 or partial refunding of any loan under this section shall
19 be authorized as an essential corporate purpose pursuant to
20 section 384.24, subsection 3, paragraph "f".

21 5. A loan made pursuant to this section is payable from the
22 debt service fund of the city. The governing body shall follow
23 the same authorization procedures required for the issuance
24 of general obligation bonds issued for the same purpose to
25 authorize a loan made payable from the debt service fund.
26 Upon approval of a loan, the loan shall be accounted for in
27 accordance with section 384.20.

28 6. A loan made pursuant to this section shall include
29 provisions establishing an interest rate on the loan that shall
30 be set at a rate that is between the interest rate established
31 pursuant to section 12C.6, subsection 2, paragraph "a", and the
32 interest rate established pursuant to section 74A.6, subsection
33 2.

34 7. Repayments of principal and interest shall be paid to
35 the reserve fund or account from which all or a portion of the

LSB 1663YH (4) 86

-2-

aw/sc

2/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 funds were advanced for the loan in the proportion that the
2 amount of the advance from the fund or account bears to the
3 entire amount of the loan.

4 8. a. The limitation in section 346.24 does not apply to a
5 transfer made pursuant to this section or to a loan authorized
6 pursuant to this section.

7 b. Except as otherwise provided by law, a city shall not
8 become indebted under this section to an amount exceeding six
9 million dollars.

10 9. A loan made pursuant to this section shall not include
11 any transfers or obligations from the reserve fund or account
12 of a city utility or of a combined city utility.

13 10. The powers granted under this section shall not be
14 construed as a limitation of the existing powers of a city.

15 Sec. 3. Section 384.25, Code 2015, is amended to read as
16 follows:

17 **384.25 General obligation bonds or loans for essential**
18 **purposes.**

19 1. A city which proposes to carry out any essential
20 corporate purpose within or without its corporate limits, and
21 to contract indebtedness and issue general obligation bonds or
22 authorize a loan described in section 384.24B, to provide funds
23 to pay all or any part of the cost of a project must do so in
24 accordance with the provisions of this division.

25 2. Before the council may institute proceedings for the
26 issuance of bonds or authorization of a loan for an essential
27 corporate purpose, a notice of the proposed action, including
28 a statement of the amount and purposes of the bonds or loan,
29 and the time and place of the meeting at which the council
30 proposes to take action for the issuance of the bonds or
31 authorization of the loan, must be published as provided in
32 section 362.3. At the meeting, the council shall receive oral
33 or written objections from any resident or property owner
34 of the city. After all objections have been received and
35 considered, the council may, at that meeting or any adjournment

LSB 1663YH (4) 86

-3-

aw/sc

3/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 thereof, take additional action for the issuance of the bonds
2 or authorization of the loan or abandon the proposal to issue
3 the bonds or authorize the loan. Any resident or property
4 owner of the city may appeal the decision of the council to
5 take additional action to the district court of the county in
6 which any part of the city is located, within fifteen days
7 after the additional action is taken, but the additional action
8 of the council is final and conclusive unless the court finds
9 that the council exceeded its authority. The provisions of
10 this subsection with respect to notice, hearing, and appeal,
11 are in lieu of the provisions contained in chapter 73A, or any
12 other law.

13 3. a. Notwithstanding subsection 2, a council may institute
14 proceedings for the issuance of bonds or the authorization of a
15 loan described in section 384.24B for an essential corporate
16 purpose specified in section 384.24, subsection 3, paragraph
17 "w" or "x", in an amount equal to or greater than three million
18 dollars by causing a notice of the proposal to issue the bonds
19 or authorize the loan, including a statement of the amount and
20 purpose of the bonds or loan, together with the maximum rate of
21 interest which the bonds are to bear or which will be charged
22 to the principal balance of the loan, and the right to petition
23 for an election, to be published at least once in a newspaper
24 of general circulation within the city at least ten days prior
25 to the meeting at which it is proposed to take action for the
26 issuance of the bonds or the authorization of the loan.

27 b. If at any time before the date fixed for taking action
28 for the issuance of the bonds or the authorization of the
29 loan, a petition is filed with the clerk of the city signed
30 by eligible electors of the city equal in number to twenty
31 percent of the persons in the city who voted for the office of
32 president of the United States at the last preceding general
33 election that had such office on the ballot, asking that the
34 question of issuing the bonds or authorizing the loan be
35 submitted to the registered voters of the city, the council

LSB 1663YH (4) 86

-4-

aw/sc

4/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 shall either by resolution declare the proposal to issue the
2 bonds or authorize the loan to have been abandoned or shall
3 direct the county commissioner of elections to call a special
4 election upon the question of issuing the bonds or authorizing
5 the loan. Notice of the election and its conduct shall be in
6 the manner provided in section 384.26.

7 c. If a petition is not filed, or if a petition is filed and
8 the proposition of issuing the bonds or authorizing the loan
9 is approved at an election, the council may proceed with the
10 authorization and issuance of the bonds or authorization of the
11 loan.

12 Sec. 4. Section 384.26, subsections 1, 2, 4, and 5, Code
13 2015, are amended to read as follows:

14 1. A city which proposes to carry out any general corporate
15 purpose within or without its corporate limits, and to contract
16 indebtedness and issue general obligation bonds or authorize a
17 loan described in section 384.24B, to provide funds to pay all
18 or any part of the costs of a project, must do so in accordance
19 with the provisions of this division.

20 2. Before the council may institute proceedings for the
21 issuance of bonds or authorization of a loan for a general
22 corporate purpose, it shall call a special city election to
23 vote upon the question of issuing the bonds or authorizing the
24 loan. At the election, the proposition must be submitted in
25 one of the following ~~form~~ forms, as applicable:

26 Shall the (insert the name of the city) issue
27 its bonds in an amount not exceeding the amount of \$.... for
28 the purpose of?

29 Shall the (insert the name of the city)
30 authorize a loan from its surplus funds in an amount not
31 exceeding the amount of \$.... for the purpose of?

32 4. The proposition of issuing general corporate purpose
33 bonds or authorizing a loan for a general corporate purpose
34 is not carried or adopted unless the vote in favor of the
35 proposition is equal to at least sixty percent of the total

LSB 1663YH (4) 86

-5-

aw/sc

5/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 vote cast for and against the proposition at the election.
2 If the proposition of issuing the general corporate purpose
3 bonds or authorizing a loan for a general corporate purpose is
4 approved by the voters, the city may proceed with the issuance
5 of the bonds or authorization of the loan.

6 5. a. Notwithstanding the provisions of subsection 2,
7 a council may, in lieu of calling an election, institute
8 proceedings for the issuance of bonds or authorization of a
9 loan for a general corporate purpose by causing a notice of the
10 proposal to issue the bonds or authorize the loan, including
11 a statement of the amount and purpose of the bonds or loan,
12 together with the maximum rate of interest which the bonds are
13 to bear or which the loan is to bear, and the right to petition
14 for an election, to be published at least once in a newspaper
15 of general circulation within the city at least ten days prior
16 to the meeting at which it is proposed to take action for the
17 issuance of the bonds or authorization of the loan subject to
18 the following limitations:

19 (1) In cities having a population of five thousand or less,
20 in an amount of not more than four hundred thousand dollars.

21 (2) In cities having a population of more than five thousand
22 and not more than seventy-five thousand, in an amount of not
23 more than seven hundred thousand dollars.

24 (3) In cities having a population in excess of seventy-five
25 thousand, in an amount of not more than one million dollars.

26 b. If at any time before the date fixed for taking action
27 for the issuance of the bonds or the authorization of the
28 loan, a petition is filed with the clerk of the city in the
29 manner provided by section 362.4, asking that the question
30 of issuing the bonds or authorizing the loan be submitted to
31 the registered voters of the city, the council shall either by
32 resolution declare the proposal to issue the bonds or authorize
33 the loan to have been abandoned or shall direct the county
34 commissioner of elections to call a special election upon the
35 question of issuing the bonds or authorizing the loan. Notice

LSB 1663YH (4) 86

-6-

aw/sc

6/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 of the election and its conduct shall be in the manner provided
2 in the preceding subsections of this section.

3 c. If ~~no~~ a petition is not filed, or if a petition is
4 filed and the proposition of issuing the bonds or authorizing
5 the loan is approved at an election, the council may proceed
6 with the authorization and issuance of the bonds or the
7 authorization of the loan.

8 Sec. 5. Section 384.33, Code 2015, is amended to read as
9 follows:

10 **384.33 Action.**

11 ~~No~~ An action may not be brought which questions the legality
12 of general obligation bonds, notes, or loans under this
13 chapter or the power of the city to issue the bonds, notes, or
14 loans or the effectiveness of any proceedings relating to the
15 authorization and issuance of the bonds, notes, or loans from
16 and after sixty days from the time the bonds, notes, or loans
17 are ordered issued by the city.

18 **EXPLANATION**

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill enacts new Code section 384.24B to allow a city to
22 borrow surplus moneys from its reserve accounts or funds for
23 any general corporate purpose or essential corporate purpose,
24 as those terms are defined in current law. The bill requires
25 that a city certify taxes to be levied for deposit in the debt
26 service fund in the amount necessary to pay principal and
27 interest on loans authorized under the bill. The bill defines
28 "loan", "surplus", and "reserve account or fund".

29 The bill requires that such loans not cause the balances
30 of such reserve accounts or funds to fall below any minimum
31 balance prescribed by law and requires that a city shall
32 not become indebted under such loans to an amount in excess
33 of \$6 million unless otherwise provided by law. The bill
34 requires that loans from reserve funds be reported to the state
35 treasurer in the same manner as required for bonds issued

LSB 1663YH (4) 86

-7-

aw/sc

7/8



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 89

1 by a city. The bill requires that such loans not result in
2 a user fee, rate, or property tax increase as a result of
3 unavailability of surplus funds. The terms of each loan shall
4 require repayment of the loan within 90 days to the extent
5 necessary to prevent a user fee rate or property tax increase.
6 Such a loan shall be payable from the city debt service fund
7 and shall constitute an indebtedness within the meaning of any
8 statutory debt limitation.

9 The full or partial repayment of a loan entered into under
10 the bill shall constitute an essential corporate purpose
11 pursuant to Code section 384.24, subsection 3, paragraph "f".
12 The bill provides that upon approval of such a loan that the
13 loan shall be accounted for as a separate account pursuant
14 to current Code section 384.20. The bill further provides
15 that interest rates on such a loan be set between the interest
16 rate established for the deposit of public funds, established
17 in current Code section 12C.6 and the maximum interest rate
18 established for public obligations and assessments under
19 current Code section 74A.6, subsection 2. The bill provides
20 that such a loan not include any transfers or obligations from
21 a reserve fund or account of a city utility or combined city
22 utility.

23 The bill requires that a city council follow substantially
24 the same procedures for the issuance of general obligation
25 bonds for essential corporate purposes, pursuant to Code
26 section 384.25, or for general corporate purposes, pursuant to
27 Code section 384.26, when making a loan from reserve funds.

28 The bill further provides that an action may not be brought
29 against a city regarding the legality, power to issue, or power
30 to authorize notes or loans under Code chapter 384 at any time
31 after 60 days following authorization.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 90 - Introduced

HOUSE FILE 90
BY T. TAYLOR

A BILL FOR

1 An Act relating to the distribution of fines imposed by the
2 automated enforcement of traffic laws.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1741YH (1) 86
ns/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 90

1 Section 1. Section 321.1, Code 2015, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 06A. *"Automated traffic law enforcement*
4 *system"* means a device with one or more sensors working in
5 conjunction with one of the following:

6 a. An official traffic-control signal, to produce recorded
7 images of motor vehicles entering an intersection against a red
8 signal light.

9 b. A speed measuring device, to produce recorded images of
10 motor vehicles traveling at a prohibited rate of speed.

11 c. A railroad grade crossing signal light, as described in
12 section 321.342, to produce images of vehicles violating the
13 signal light.

14 d. Any official traffic-control device, if failure to comply
15 with the official traffic-control device constitutes a moving
16 violation under this chapter.

17 Sec. 2. NEW SECTION. 321.260A Automated traffic law
18 enforcement — notice of fine distribution on citation.

19 If the department or a local authority issues a citation
20 as a result of an image or any other indication of activity
21 obtained from an automated traffic law enforcement system, the
22 citation shall provide an itemized list of the fines and fees
23 assessed pursuant to the citation, the name of each person or
24 entity that will receive a portion of the fines or fees, and
25 the amount of the fines or fees that each person or entity will
26 receive.

27 EXPLANATION

28 The inclusion of this explanation does not constitute agreement with
29 the explanation's substance by the members of the general assembly.

30 This bill defines an automated traffic law enforcement
31 system as a device with one or more sensors working in
32 conjunction with an official traffic-control signal, a speed
33 measuring device, a railroad grade crossing signal light, or
34 any official traffic-control device.

35 The bill requires that any citation issued by the department

LSB 1741YH (1) 86

-1-

ns/nh

1/2



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 90

1 of transportation or any local authority as a result of the use
2 of an automated traffic law enforcement system must include an
3 itemized list of the fines and fees assessed pursuant to the
4 citation, the name of each person or entity that will receive
5 a portion of the fines or fees, and the amount of the fines or
6 fees that each person or entity will receive.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 91 - Introduced

HOUSE FILE 91
BY HEDDENS, HEATON, and
PRICHARD

A BILL FOR

1 An Act relating to the appointment of mental health advocates.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1600YH (3) 86
rh/rj



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 91

1 Section 1. Section 229.19, subsection 1, paragraphs a and b,
2 Code 2015, are amended to read as follows:

3 a. In each county, ~~with a population of three hundred~~
4 ~~thousand or more inhabitants~~ the board of supervisors shall
5 appoint an individual who has demonstrated by prior activities
6 an informed concern for the welfare and rehabilitation of
7 persons with mental illness, and who is not an officer or
8 employee of the department of human services nor of any agency
9 or facility providing care or treatment to persons with mental
10 illness, to act as an advocate representing the interests of
11 patients involuntarily hospitalized by the court, in any matter
12 relating to the patients' hospitalization or treatment under
13 section 229.14 or 229.15. ~~In each county with a population of~~
14 ~~under three hundred thousand inhabitants, the chief judge of~~
15 ~~the judicial district encompassing the county shall appoint the~~
16 ~~advocate.~~

17 b. ~~The court or, if the advocate is appointed by the county~~
18 ~~board of supervisors, the board shall assign the advocate~~
19 appointed from a patient's county of residence to represent
20 the interests of the patient. If a patient has no county of
21 residence ~~or the patient is a state case, the court or, if the~~
22 ~~advocate is appointed by the county board of supervisors,~~ the
23 board shall assign the advocate appointed from the county where
24 the hospital or facility is located to represent the interests
25 of the patient.

26 Sec. 2. Section 229.19, subsection 3, Code 2015, is amended
27 to read as follows:

28 3. ~~The court or, if the advocate is appointed by the~~
29 ~~county board of supervisors, the board shall prescribe~~
30 reasonable compensation for the services of the advocate. The
31 compensation shall be based upon ~~the reports filed by the~~
32 advocate with the court the duties performed by the advocate
33 and in accordance with the personnel policies set forth by
34 the board for county employees. The advocate's compensation
35 shall be paid by the county in which the court is located,

LSB 1600YH (3) 86

-1-

rh/rj

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 91

1 ~~either on order of the court or, if the advocate is appointed~~
2 ~~by the county board of supervisors, on the direction of the~~
3 ~~board. If the advocate is appointed by the court, the advocate~~
4 ~~is an employee of the state for purposes of chapter 669. If~~
5 ~~the advocate is appointed by the county board of supervisors,~~
6 ~~the~~ The advocate is an employee of the county for purposes
7 of chapter 670. If the patient or the person who is legally
8 liable for the patient's support is not indigent, the board
9 shall recover the costs of compensating the advocate from that
10 person. If that person has an income level as determined
11 pursuant to section 815.9 greater than one hundred percent
12 but not more than one hundred fifty percent of the poverty
13 guidelines, at least one hundred dollars of the advocate's
14 compensation shall be recovered in the manner prescribed by
15 the county board of supervisors. If that person has an income
16 level as determined pursuant to section 815.9 greater than
17 one hundred fifty percent of the poverty guidelines, at least
18 two hundred dollars of the advocate's compensation shall be
19 recovered in substantially the same manner prescribed by the
20 county board of supervisors as provided in section 815.9.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 This bill relates to the appointment of mental health
25 advocates.

26 Under current law, the appointment of a mental health
27 advocate to represent the interests of a person involuntarily
28 hospitalized under Code chapter 229 is made by either the
29 county board of supervisors in a patient's county of residence
30 if the county has a population of 300,000 or more, or by the
31 chief judge of the judicial district if the patient's county
32 of residence has a population under 300,000. A mental health
33 advocate is paid by either the state or the appropriate county.

34 The bill amends this current law to eliminate court
35 appointments of mental health advocates and specifies that

LSB 1600YH (3) 86

-2-

rh/rj

2/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 91

1 all mental health advocate appointments shall be made by the
2 county board of supervisors in a patient's county of residence.
3 If a patient has no county of residence, the county board
4 of supervisors is directed to appoint an advocate from the
5 county where the patient's hospital or facility is located to
6 represent the patient's interests. Under the bill, the mental
7 health advocate in each county will be paid by the appropriate
8 county and considered to be an employee of the county for
9 purposes of Code chapter 670.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 92 - Introduced

HOUSE FILE 92

BY HEARTSILL, HOLT, GUSTAFSON,
WILLS, BAUDLER, SALMON,
GASSMAN, FISHER, MOMMSEN,
WINDSCHITL, SHEETS, BAXTER,
BEST, KOBIKER, WATTS, R.
TAYLOR, and LANDON

A BILL FOR

1 An Act relating to the justifiable use of reasonable force and
2 providing a remedy.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1342YH (5) 86
jm/rj



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 Section 1. Section 704.1, Code 2015, is amended to read as
2 follows:

3 **704.1 Reasonable force.**

4 1. "Reasonable force" is means that force and no more which
5 a reasonable person, in like circumstances, would judge to
6 be necessary to prevent an injury or loss and can include
7 deadly force if it is reasonable to believe that such force is
8 necessary to avoid injury or risk to one's life or safety or
9 the life or safety of another, or it is reasonable to believe
10 that such force is necessary to resist a like force or threat.

11 2. Reasonable force, including deadly force, may be used
12 even if an alternative course of action is available if the
13 alternative entails a risk to life or safety, or the life or
14 safety of a third party, ~~or requires one to abandon or retreat~~
15 ~~from one's dwelling or place of business or employment.~~

16 3. A person may be wrong in the estimation of the danger or
17 the force necessary to repel the danger as long as there is a
18 reasonable basis for the belief of the person and the person
19 acts reasonably in the response to that belief.

20 4. A person who is not engaged in illegal activity has no
21 duty to retreat from any place where the person is lawfully
22 present before using force as specified in this chapter.
23 A finder of fact shall not be permitted to consider the
24 possibility of retreat as a factor in determining whether or
25 not a person who used force reasonably believed that the force
26 was necessary to prevent injury, loss, or risk to life or
27 safety.

28 Sec. 2. Section 704.2, Code 2015, is amended by adding the
29 following new subsection:

30 NEW SUBSECTION. 1A. A threat to cause serious injury
31 or death, by the production, display, or brandishing of a
32 deadly weapon, is not deadly force, as long as the actions of
33 the person are limited to creating an expectation that the
34 person may use deadly force to defend oneself, another, or as
35 otherwise authorized by law.

LSB 1342YH (5) 86

-1-

jm/rj

1/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 Sec. 3. NEW SECTION. 704.2A Justifiable use of deadly
2 force.

3 1. For purposes of this chapter, a person is presumed to
4 reasonably believe that deadly force is necessary to avoid
5 injury or risk to one's life or safety or the life or safety of
6 another in either of the following circumstances:

7 a. The person against whom force is used, at the time the
8 force is used, is doing any of the following:

9 (1) Unlawfully entering by force or stealth, or has
10 unlawfully entered by force or stealth and remains within the
11 dwelling, place of business or employment, or occupied vehicle
12 of the person using force.

13 (2) Unlawfully removing or is attempting to unlawfully
14 remove another person against the other person's will from the
15 dwelling, place of business or employment, or occupied vehicle
16 of the person using force.

17 b. The person using force knows or has reason to believe
18 that any of the conditions set forth in paragraph "a" are
19 occurring or have occurred.

20 2. The presumption set forth in subsection 1 does not
21 apply if, at the time force is used, any of the following
22 circumstances are present:

23 a. The person using defensive force is engaged in a
24 criminal offense, is attempting to escape from the scene of a
25 criminal offense that the person has committed, or is using the
26 dwelling, place of business or employment, or occupied vehicle
27 to further a criminal offense.

28 b. The person sought to be removed is a child or grandchild
29 or is otherwise in the lawful custody or under the lawful
30 guardianship of the person against whom force is used.

31 c. The person against whom force is used is a peace officer
32 who has entered or is attempting to enter a dwelling, place
33 of business or employment, or occupied vehicle in the lawful
34 performance of the peace officer's official duties, and the
35 person using force knows or reasonably should know that the

LSB 1342YH (5) 86

-2-

jm/rj

2/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 person who has entered or is attempting to enter is a peace
2 officer.

3 *d.* The person against whom the force is used has the right
4 to be in, or is a lawful resident of, the dwelling, place of
5 business or employment, or occupied vehicle of the person using
6 force, and a protective or no-contact order is not in effect
7 against the person against whom the force is used.

8 Sec. 4. Section 704.3, Code 2015, is amended to read as
9 follows:

10 **704.3 Defense of self or another.**

11 A person is justified in the use of reasonable force when
12 the person reasonably believes that such force is necessary to
13 defend oneself or another from any actual or imminent use of
14 unlawful force.

15 Sec. 5. NEW SECTION. **704.4A Immunity for justifiable use of**
16 **force.**

17 1. As used in this section, "*criminal prosecution*" means
18 arrest, detention, charging, or prosecution.

19 2. A person who uses reasonable force pursuant to this
20 chapter shall be immune from any criminal prosecution or civil
21 action for using such force.

22 3. A law enforcement agency may use standard investigating
23 procedures for investigating the use of force, but the law
24 enforcement agency shall not arrest a person for using force
25 unless the law enforcement agency determines there is probable
26 cause that the force was unlawful under this chapter.

27 4. The court shall award reasonable attorney fees, court
28 costs, compensation for loss of income, and all expenses
29 incurred by the defendant in defense of any civil action
30 brought by the plaintiff if the court finds that the defendant
31 is immune from prosecution as provided in subsection 2.

32 Sec. 6. Section 704.7, Code 2015, is amended to read as
33 follows:

34 **704.7 Resisting forcible violent felony.**

35 1. As used in this section, "*violent felony*" means any

LSB 1342YH (5) 86

-3-

jm/rj

3/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 felonious sexual abuse involving compulsion or the use of a
2 weapon or any felonious assault, murder, kidnapping, robbery,
3 arson, or burglary.

4 2. A person who ~~knows~~ reasonably believes that a ~~foreible~~
5 violent felony is being or will imminently be perpetrated is
6 justified in using, ~~against the perpetrator,~~ reasonable force,
7 including deadly force, against the perpetrator or perpetrators
8 to prevent the completion of or terminate the perpetration of
9 that felony.

10 Sec. 7. REPEAL. Section 707.6, Code 2015, is repealed.

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 Current law provides that a person may use reasonable force,
15 including deadly force, even if an alternative course of action
16 is available if the alternative entails a risk of life or
17 safety, or the life or safety of a third party, or requires one
18 to abandon or retreat from one's residence or place of business
19 or employment.

20 This bill provides that a person may use reasonable force,
21 including deadly force, if it is reasonable to believe such
22 force is necessary to avoid injury or risk to one's life or
23 safety or the life or safety of another, even if an alternative
24 course of action is available if the alternative entails a risk
25 to life or safety, or the life or safety of a third party.

26 The bill provides that a person may be wrong in the
27 estimation of the danger or the force necessary to repel the
28 danger as long as there is a reasonable basis for the belief
29 and the person acts reasonably in the response to that belief.

30 The bill further provides that a person who is not engaged in
31 an illegal activity has no duty to retreat from any place where
32 the person is lawfully present before using force. The bill
33 prohibits a finder of fact from considering the possibility of
34 retreat as a factor in determining whether or not a person who
35 used force reasonably believed that the force was necessary to

LSB 1342YH (5) 86

-4-

jm/rj

4/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 prevent injury, loss, or risk to life or safety.

2 The bill provides that a threat to cause serious injury
3 or death by the production, display, or brandishing of a
4 deadly weapon, is not deadly force, as long as the actions of
5 the person are limited to creating an expectation that the
6 person may use deadly force to defend oneself, another, or as
7 otherwise authorized by law.

8 The bill creates presumptions for the justifiable use of
9 deadly force in certain circumstances.

10 Under the bill, a person is presumed to be justified in
11 using deadly force if the person reasonably believes that
12 deadly force is necessary to avoid injury or risk to one's
13 life or safety or the life or safety of another under the
14 following circumstances: the person against whom force is used
15 is unlawfully entering by force or stealth, or has unlawfully
16 entered by force or stealth and remains within a dwelling,
17 place of business or employment, or occupied vehicle of the
18 person using force; or the person against whom force is used
19 is unlawfully removing or attempting to remove another person
20 against the other person's will from a dwelling, place of
21 business or employment, or occupied vehicle of the person using
22 force. In addition, the person using force must know or have
23 reason to believe that the aforementioned circumstances are
24 occurring or have occurred.

25 The presumption of the use of justifiable deadly force
26 under the bill does not apply at the time force is used in the
27 following circumstances: the person using defensive force is
28 engaged in a criminal offense or activity; the person sought
29 to be removed is a child or grandchild or is otherwise in the
30 lawful custody of the person against whom force is used; the
31 person against whom force is used is a peace officer who has
32 entered or is attempting to enter a dwelling, place of business
33 or employment, or occupied vehicle in the lawful performance
34 of the peace officer's official duties, and the person using
35 force knows or reasonably should know that the person who has

LSB 1342YH (5) 86

-5-

jm/rj

5/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 92

1 entered or is attempting to enter is a peace officer; or the
2 person against whom force is used has the right to be in, or
3 is a lawful resident of, the dwelling, place of business or
4 employment, or occupied vehicle of the person using force, and
5 a protective or no-contact order is not in effect against the
6 person against whom the force is used.

7 The bill provides that a person is justified in the use of
8 reasonable force when the person reasonably believes that such
9 force is necessary to defend oneself or another from any actual
10 as well as imminent use of unlawful force.

11 The bill repeals Code section 707.6 and consolidates
12 criminal and civil immunity provisions in new Code section
13 704.4A. Under the bill, a person who uses reasonable force
14 shall be immune from any criminal prosecution or civil action
15 for using such force.

16 Under the bill, a law enforcement agency shall not arrest a
17 person for using force unless it determines there is probable
18 cause that the force was unlawful under Code chapter 704.

19 The bill also provides that if a defendant is sued by a
20 plaintiff for using reasonable force, the court shall award the
21 defendant reasonable attorney fees, court costs, compensation
22 for loss of income, and expenses if the court finds the
23 defendant is immune from prosecution.

24 The bill also provides that a person who reasonably
25 believes that a violent felony is being or will imminently be
26 perpetrated is justified in using reasonable force, including
27 deadly force, against a perpetrator to prevent or terminate the
28 perpetration of that felony. The bill defines "violent felony"
29 to mean any felonious assault, murder, violent or forced sexual
30 abuse, kidnapping, robbery, arson, or burglary.

LSB 1342YH (5) 86
jm/rj

6/6



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 93 - Introduced

HOUSE FILE 93
BY BYRNES

A BILL FOR

1 An Act providing for special vehicle registration plates
2 displaying a decal designed and issued by a nonprofit
3 organization, providing fees, making a penalty applicable,
4 and including effective date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1775YH (5) 86
ns/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 93

1 Section 1. Section 321.34, subsection 13, Code 2015, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 13. *Special plates displaying organization decal.*

5 a. (1) The owner of a motor vehicle subject to registration
6 pursuant to section 321.109, subsection 1, motor truck, motor
7 home, multipurpose vehicle, motorcycle, trailer, or travel
8 trailer may upon request be issued special registration
9 plates that contain a space reserved for the placement of an
10 organization decal. If the special plates are requested at the
11 time of initial application for registration and certificate
12 of title for the vehicle, no special plate fee is required
13 other than the regular annual registration fee for the vehicle.
14 If the special plates are requested as replacement plates,
15 the owner shall surrender the current regular or special
16 registration plates in exchange for the special plates and
17 shall pay a replacement plate fee of five dollars. The county
18 treasurer shall validate special plates with an organization
19 decal in the same manner as regular plates, upon payment of the
20 annual registration fee.

21 (2) An applicant may obtain a personalized special
22 registration plate with space reserved for an organization
23 decal, subject to the additional fees for a personalized plate
24 as provided in subsection 5. Personalized plates with space
25 reserved for an organization decal shall be limited to no more
26 than five initials, letters, or combinations of numerals and
27 letters.

28 b. (1) An organization may apply to the department
29 for approval to issue a decal to be displayed on vehicle
30 registration plates. To qualify for such approval, an
31 organization must have at least two hundred members in this
32 state and shall meet the following requirements:

33 (a) The primary activity or interest of the organization
34 serves the community, contributes to the welfare of others,
35 and is not discriminatory in its purpose, nature, activity, or

LSB 1775YH (5) 86

-1-

ns/nh

1/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 93

1 name.

2 (b) The name and purpose of the organization do not promote
3 any specific product or brand name that is provided for sale.

4 (c) The organization is a nonprofit corporation which is
5 exempt from taxation under section 501(c)(3) of the Internal
6 Revenue Code and is organized under the laws of this state or
7 authorized to do business within this state.

8 (2) The department may accept an application for a decal
9 design from a group of nonprofit organizations with a common
10 purpose, provided that each organization within the group meets
11 the requirements for a qualifying organization established by
12 the department under this subsection.

13 c. An organization desiring to issue a decal shall submit an
14 application to the department on a form to be provided by the
15 department. Along with the application, the organization shall
16 furnish to the department all of the following:

17 (1) A copy of the articles of incorporation for the
18 organization.

19 (2) A copy of the charter or by-laws for the organization.

20 (3) Any Internal Revenue Service rulings concerning the
21 organization's nonprofit tax exemption status.

22 (4) A color copy of the completed decal design.

23 (5) A clear and concise explanation of the purpose of the
24 decal, all eligibility requirements for purchasing the decal,
25 and fees to be charged for the decal.

26 (6) Certification by the person who has legal rights to the
27 decal design allowing use of the design.

28 (7) Any other information required by the department.

29 d. The department shall consider a proposed decal design
30 based upon criteria established by the department, which shall
31 include but not be limited to the following:

32 (1) A decal shall not promote a specific religion, faith, or
33 anti-religious sentiment.

34 (2) A decal shall not have any sexual connotation and shall
35 not be vulgar, prejudiced, hostile, insulting, or racially or

LSB 1775YH (5) 86

-2-

ns/nh

2/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 93

1 ethnically degrading.

2 e. Upon approval by the department of an organization's
3 application to issue a decal and approval of the design of the
4 decal, the organization is responsible for the production,
5 administration, and issuance of the decal. An organization
6 shall not issue a decal that has not been approved by the
7 department or alter the approved design of a decal without the
8 department's approval.

9 f. A person shall not display a decal on a vehicle
10 registration plate other than a decal approved by the
11 department.

12 g. The department may adopt rules pursuant to chapter 17A as
13 necessary to implement this subsection.

14 Sec. 2. Section 321.166, subsection 9, Code 2015, is amended
15 to read as follows:

16 9. Special registration plates issued pursuant to section
17 321.34, other than gold star, medal of honor, collegiate, fire
18 fighter, and natural resources registration plates, shall be
19 consistent with the design and color of regular registration
20 plates but shall provide a space on a portion of the plate
21 for the purpose of allowing the placement of a distinguishing
22 processed emblem or an organization decal. Special
23 registration plates shall also comply with the requirements
24 for regular registration plates as provided in this section to
25 the extent the requirements are consistent with the section
26 authorizing a particular special vehicle registration plate.

27 Sec. 3. EFFECTIVE DATE. This Act takes effect January 1,
28 2016.

29 EXPLANATION

30 The inclusion of this explanation does not constitute agreement with
31 the explanation's substance by the members of the general assembly.

32 This bill provides for the issuance of special vehicle
33 registration plates containing a space for the placement of
34 an organization decal and provides a process for the approval
35 of registration plate decals to be issued by qualifying

LSB 1775YH (5) 86

-3-

ns/nh

3/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 93

1 organizations.

2 Under current law, anyone may submit a request to the
3 department of transportation for approval of a new special
4 registration plate with a processed emblem. If the department
5 approves the request and the design of the proposed emblem,
6 a minimum of 500 paid applications are required before the
7 department begins issuing the plate. The department may cancel
8 its approval if sufficient applications are not received within
9 one year. A vehicle owner is charged a fee of \$25 for the
10 issuance of the special plates, and an annual \$5 validation
11 fee for renewal. Those fees are deposited in the road use
12 tax fund. An alternative process allows for a state agency
13 to sponsor a special registration plate, with fees of \$35 for
14 issuance and \$10 for renewal. Those fees are credited to the
15 sponsoring state agency.

16 The bill eliminates the current process for a person to
17 request a new special plate and eliminates state agency
18 sponsorship of new special plates. Under the bill, the
19 department will begin issuing special registration plates with
20 a space reserved for placement of an organization decal to be
21 designed, produced, and issued by a qualifying organization,
22 rather than the department. The plates will be available
23 without an additional special plate fee at the time of initial
24 registration of a vehicle, and will be renewed annually upon
25 payment of the regular annual registration fee for the vehicle.
26 A \$5 replacement fee applies if the plates are issued in
27 exchange for regular or special plates. The new plates will
28 also be available as personalized plates upon payment of
29 personalized plate fees.

30 A qualifying organization must be a nonprofit corporation
31 with at least 200 members, whose primary activity or interest
32 serves the community, contributes to the welfare of others, and
33 is not discriminatory. A group of such organizations with a
34 common purpose may also be approved to issue a decal. The bill
35 specifies that organizations that promote a specific product

LSB 1775YH (5) 86

-4-

ns/nh

4/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. 93

1 or brand name are not eligible to issue organization decals.
2 An organization desiring to issue a decal must apply to the
3 department for approval by submitting information concerning
4 its nonprofit corporation identity along with a copy of the
5 proposed decal design, certification of legal rights to use
6 the design, and an explanation of the purpose of the decal,
7 eligibility requirements, and fees the organization will charge
8 for the decal. The department may establish criteria for decal
9 designs, including that a decal shall not promote a specific
10 religion, faith, or anti-religious sentiment, shall not have
11 any sexual connotation, and shall not be vulgar, prejudiced,
12 hostile, insulting, or racially or ethnically degrading. If
13 the department approves the application, the organization is
14 responsible for the production, administration, and issuance
15 of the decal, and any fees charged by the organization for the
16 decals will be retained by the organization.
17 The bill prohibits any organization from issuing a decal
18 without the approval of the department. The bill also
19 prohibits a person from displaying a decal other than an
20 approved decal on a vehicle registration plate. Pursuant to
21 current law, a person who violates Code provisions relating
22 to vehicle registration plates commits a simple misdemeanor
23 punishable by a scheduled fine of \$20.
24 The bill takes effect January 1, 2016.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House File 94 - Introduced

HOUSE FILE 94

BY HEARTSILL, VANDER LINDEN,
KOOIKER, FISHER, WATTS,
SALMON, SANDS, and HOLT

A BILL FOR

1 An Act eliminating a requirement that taxpayers indicate on
2 their tax returns the presence or absence of health care
3 coverage for their dependent children and apply for certain
4 public health care coverage, and including effective date
5 and retroactive applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

**Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015**

H.F. 94

1 Section 1. REPEAL. Section 422.12M, Code 2015, is repealed.

2 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
3 immediate importance, takes effect upon enactment.

4 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
5 retroactively to January 1, 2015, for tax years beginning on
6 or after that date.

7	EXPLANATION
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8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill repeals Code section 422.12M, which requires
11 taxpayers to indicate on their tax returns the presence or
12 absence of health care coverage for their dependent children
13 and to apply for Medicaid or the hawk-i program if they meet
14 certain income eligibility standards. The bill is effective
15 upon enactment and applies retroactively to January 1, 2015,
16 for tax years beginning on or after that date.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House Study Bill 72 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON VANDER LINDEN)

A BILL FOR

1 An Act relating to the regulation of certified public
2 accountants and certified public accounting firms.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1720HC (2) 86
ad/rj



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 Section 1. Section 80A.2, Code 2015, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 10. A certified public accountant
4 authorized to practice pursuant to chapter 542, while
5 performing duties as a certified public accountant.

6 Sec. 2. Section 542.3, subsection 26, Code 2015, is amended
7 to read as follows:

8 26. "*Report*", when used with reference to ~~financial~~
9 ~~statements~~ any attest or compilation services, means a report,
10 opinion, or other form of a writing that states or implies
11 assurance as to the reliability of ~~any the attested information~~
12 or compiled financial statements and that includes or is
13 accompanied by a statement or implication that the person or
14 firm issuing the report has special knowledge or competence
15 in accounting or auditing. Such statement or implication
16 of special knowledge or competence may arise from use by
17 the issuer of the report of names or titles indicating that
18 the person or firm is an accountant or auditor, or from the
19 language of the report itself. "*Report*" includes any form
20 of language which disclaims an opinion when such form of
21 language is conventionally understood to imply a positive
22 assurance as to the reliability of the attested information or
23 compiled financial statements referred to or special knowledge
24 or competence on the part of the person or firm issuing the
25 language, and any other form of language that is conventionally
26 understood to imply such assurance or such special knowledge
27 or competence.

28 Sec. 3. Section 542.7, subsection 3, Code 2015, is amended
29 by adding the following new paragraph:

30 NEW PARAGRAPH. *OC.* (1) Notwithstanding chapter 496C or
31 any other provision of law to the contrary, a certified public
32 accounting firm organized as a professional corporation under
33 chapter 496C may have nonlicensee owners provided that the firm
34 complies with the requirements of this section.

35 (2) Notwithstanding chapter 489, article 11, or any other

LSB 1720HC (2) 86

-1-

ad/rj

1/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 provision of law to the contrary, a certified public accounting
2 firm organized as a professional limited liability company
3 under chapter 489, article 11, may have nonlicensee members
4 provided that the professional limited liability company
5 complies with the requirements of this section.

6 Sec. 4. Section 542.7, subsection 3, paragraphs c and d,
7 Code 2015, are amended to read as follows:

8 c. A licensee or person with a practice privilege under
9 section 542.20 who is responsible for supervising attest
10 or compilation services and signs or authorizes someone to
11 sign the accountant's report ~~on the financial statements~~ on
12 behalf of the firm shall meet the experience or competency
13 requirements set out in nationally recognized professional
14 standards for such services.

15 d. A licensee or person with a practice privilege under
16 section 542.20 who signs or authorizes someone to sign the
17 accountant's report ~~on the financial statements~~ on behalf of
18 the firm shall meet the experience or competency requirements
19 established in paragraph "c".

20 Sec. 5. Section 542.7, subsection 6, paragraph a, Code 2015,
21 is amended by striking the paragraph.

22 Sec. 6. Section 542.7, subsection 8, paragraph a, Code 2015,
23 is amended to read as follows:

24 a. The board, by rule, shall require as a condition
25 of renewal of a permit to practice as a certified public
26 accounting firm, that an applicant undergo, no more frequently
27 than once every three years, a peer review conducted in such
28 manner as the board specifies. The review shall include a
29 verification that any individual in the firm who is responsible
30 for supervising attest and compilation services and who signs
31 or authorizes someone to sign the accountant's report ~~on a~~
32 ~~financial statement~~ on behalf of the firm meets the competency
33 requirements set forth in the professional standards for such
34 services.

35 Sec. 7. Section 542.7, subsection 9, paragraph a, Code 2015,

LSB 1720HC (2) 86

-2-

ad/rj

2/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 is amended to read as follows:

2 a. The applicant does not engage in, and does not intend to
3 engage in during the following year, financial reporting areas
4 of practice, including but not limited to ~~financial~~ audits,
5 compilations, and reviews. An applicant granted a waiver
6 pursuant to this paragraph shall immediately notify the board
7 if the applicant engages in such practice, and shall be subject
8 to peer review.

9 Sec. 8. Section 542.13, subsections 8 and 11, Code 2015, are
10 amended to read as follows:

11 8. A nonlicensee shall not use language in any statement
12 relating to the ~~financial~~ affairs of a person or entity which
13 is conventionally used by licensees in reports on financial
14 statements or any attest service. The board shall develop and
15 issue language which nonlicensees may use in connection with
16 such financial information.

17 11. This section does not apply to a person or firm holding
18 a certification, designation, degree, or license granted in a
19 foreign country entitling the holder to engage in the practice
20 of public accountancy or its equivalent in such country, whose
21 activities in this state are limited to providing professional
22 services to a person or firm who is a resident of, government
23 of, or business entity of the country in which the person holds
24 such entitlement, who does not perform attest or compilation
25 services, and who does not issue reports with respect to the
26 ~~financial statements~~ information of any other person, firm, or
27 governmental unit in this state, and who does not use in this
28 state any title or designation other than the one under which
29 the person practices in such country, followed by a translation
30 of such title or designation into the English language, if it
31 is in a different language, and by the name of such country.

32 Sec. 9. Section 542.17, unnumbered paragraph 1, Code 2015,
33 is amended to read as follows:

34 A licensee shall not voluntarily disclose information
35 communicated to the licensee by a client relating to and

LSB 1720HC (2) 86
ad/rj

3/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 in connection with services rendered to the client by the
2 licensee, except with the permission of the client, or an
3 heir, successor, or personal representative of the client.
4 Such information is deemed to be confidential. However, this
5 section shall not be construed as prohibiting the disclosure of
6 information required to be disclosed by the standards of the
7 public accounting profession in reporting on the examination of
8 financial statements or in the performance of an attest service
9 or as prohibiting disclosures in a court proceeding, in an
10 investigation or proceeding under this chapter or chapter 272C,
11 in an ethical investigation conducted by a private professional
12 organization, in the course of a peer review, to another person
13 active in the licensee's firm performing services for that
14 client on a need-to-know basis, to persons associated with the
15 investigative entity who need this information for the sole
16 purpose of assuring quality control, or as otherwise required
17 by law.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill relates to the regulation of accountants in
22 the state. The bill exempts a certified public accountant
23 authorized to practice in the state from the requirements
24 listed under the private investigative agencies and security
25 agents Code chapter.

26 The bill amends the definition of report to include
27 references to attested information. In the Code provision
28 addressing permits for accounting firms that perform attest
29 services, the bill makes conforming changes. The bill replaces
30 a reference to "financial statement" with "information" in a
31 Code provision providing that the unlawful acts section of
32 Code chapter 542 does not apply to certain holders of licenses
33 granted by foreign countries.

34 The bill eliminates a Code provision requiring a holder
35 or applicant of a certified public accounting firm permit,

LSB 1720HC (2) 86
ad/rj

4/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 which is required for accounting firms that perform attest
2 services in the state, to notify the Iowa accountancy examining
3 board within 30 days of a change in the identity of a partner,
4 officer, shareholder, member, or manager who performs
5 professional services in Iowa. Current Code allows certified
6 public accounting firms to include nonlicensee owners with some
7 requirements. The bill allows certified public accounting
8 firms organized as professional corporations or professional
9 limited liability companies to include a nonlicensee owner
10 as long as the firm meets the current requirements and rules
11 established by the Iowa accountancy examining board.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House Study Bill 73 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON VANDER LINDEN)

A BILL FOR

1 An Act providing for the future repeal of the state board of
2 tax review, providing for appeals to the director of revenue
3 for certain tax matters and modifying the powers and duties
4 of the director of revenue, and including effective date and
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1383YC (4) 86
mm/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 DIVISION I
2 FUTURE REPEAL OF
3 STATE BOARD OF TAX REVIEW — TRANSITION
4 Section 1. Section 421.1, Code 2015, is amended by adding
5 the following new subsection:
6 NEW SUBSECTION. 6. *Future repeal.*
7 a. Notwithstanding subsection 5 or any other provision of
8 law to the contrary, a party shall not appeal to the state
9 board, nor shall the state board accept for review, any
10 decision, order, directive, or assessment of the director of
11 revenue or the department on or after the effective date of
12 this division of this Act.
13 b. This section is repealed upon the occurrence of one of
14 the following, whichever is earlier:
15 (1) The final disposition by the state board of all cases
16 pending before the board on the effective date of this division
17 of this Act. The chairperson of the board shall notify the
18 Iowa Code editor upon the occurrence of this condition.
19 (2) July 1, 2016.
20 Sec. 2. EFFECTIVE UPON ENACTMENT. This division of this
21 Act, being deemed of immediate importance, takes effect upon
22 enactment.

23 DIVISION II
24 CORRESPONDING CHANGES
25 Sec. 3. Section 68B.35, subsection 2, paragraph e, Code
26 2015, is amended to read as follows:
27 e. Members of the state banking council, the ethics and
28 campaign disclosure board, the credit union review board, the
29 economic development authority, the employment appeal board,
30 the environmental protection commission, the health facilities
31 council, the Iowa finance authority, the Iowa public employees'
32 retirement system investment board, the board of the Iowa
33 lottery authority, the natural resource commission, the board
34 of parole, the petroleum underground storage tank fund board,
35 the public employment relations board, the state racing and

LSB 1383YC (4) 86

-1-

mm/sc

1/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 gaming commission, the state board of regents, ~~the tax review~~
2 ~~board~~, the transportation commission, the office of consumer
3 advocate, the utilities board, the Iowa telecommunications
4 and technology commission, and any full-time members of other
5 boards and commissions as defined under section 7E.4 who
6 receive an annual salary for their service on the board or
7 commission. The Iowa ethics and campaign disclosure board
8 shall conduct an annual review to determine if members of any
9 other board, commission, or authority should file a statement
10 and shall require the filing of a statement pursuant to rules
11 adopted pursuant to chapter 17A.

12 Sec. 4. Section 421.17, subsection 19, paragraph b, Code
13 2015, is amended to read as follows:

14 b. (1) The provisions of sections 17A.10 to 17A.18A
15 relating to contested cases shall not apply to any matters
16 involving the equalization of valuations of classes of property
17 as authorized by this chapter and chapter 441.

18 (2) (a) This exemption from the provisions of sections
19 17A.10 to 17A.18A shall not apply to a hearing before the state
20 board of tax review.

21 (b) This subparagraph is repealed July 1, 2016.

22 (3) This exemption from the provisions of sections 17A.10
23 to 17A.18A shall not apply to a hearing before the director as
24 provided in section 441.49, subsection 5.

25 Sec. 5. Section 421.60, subsection 4, paragraph a,
26 unnumbered paragraph 1, Code 2015, is amended to read as
27 follows:

28 A prevailing taxpayer in an administrative hearing or a
29 court proceeding related to the determination, collection, or
30 refund of a tax, penalty, or interest may be awarded reasonable
31 litigation costs by the department, ~~state board of tax review~~,
32 or a court, that are incurred subsequent to the issuance of
33 the notice of assessment or denial of claim for refund in the
34 proceeding, based upon the following:

35 Sec. 6. Section 425.7, subsection 3, Code 2015, is amended

LSB 1383YC (4) 86

-2-

mm/sc

2/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 to read as follows:

2 3. a. If the director of revenue determines that a
3 claim for homestead credit has been allowed by the board of
4 supervisors which is not justifiable under the law and not
5 substantiated by proper facts, the director may, at any time
6 within thirty-six months from July 1 of the year in which
7 the claim is allowed, set aside the allowance. Notice of
8 the disallowance shall be given to the county auditor of the
9 county in which the claim has been improperly granted and a
10 written notice of the disallowance shall also be addressed
11 to the claimant at the claimant's last known address. The
12 claimant or board of supervisors may appeal to the ~~state board~~
13 ~~of tax review pursuant to section 421.1, subsection 5~~ director
14 of revenue within thirty days from the date of the notice of
15 disallowance. The director shall grant a hearing and if, upon
16 the hearing, the director determines that the disallowance was
17 incorrect, the director shall set aside the disallowance. The
18 director shall notify the claimant and the board of supervisors
19 of the result of the hearing. The claimant or the board of
20 supervisors may seek judicial review of the action of the ~~state~~
21 ~~board of tax review~~ director of revenue in accordance with
22 chapter 17A.

23 b. If a claim is disallowed by the director of revenue
24 and not appealed to the ~~state board of tax review~~ director of
25 revenue or appealed to the ~~state board of tax review~~ director
26 of revenue and thereafter upheld upon final resolution,
27 including any judicial review, any amounts of credits allowed
28 and paid from the homestead credit fund including the penalty,
29 if any, become a lien upon the property on which credit was
30 originally granted, if still in the hands of the claimant,
31 and not in the hands of a bona fide purchaser, and any amount
32 so erroneously paid including the penalty, if any, shall be
33 collected by the county treasurer in the same manner as other
34 taxes and the collections shall be returned to the department
35 of revenue and credited to the homestead credit fund. The

LSB 1383YC (4) 86

-3-

mm/sc

3/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 director of revenue may institute legal proceedings against
2 a homestead credit claimant for the collection of payments
3 made on disallowed credits and the penalty, if any. If a
4 person makes a false claim or affidavit with fraudulent intent
5 to obtain the homestead credit, the person is guilty of a
6 fraudulent practice and the claim shall be disallowed in full.
7 If the credit has been paid, the amount of the credit plus a
8 penalty equal to twenty-five percent of the amount of credit
9 plus interest, at the rate in effect under section 421.7,
10 from the time of payment shall be collected by the county
11 treasurer in the same manner as other property taxes, penalty,
12 and interest are collected and when collected shall be paid to
13 the director of revenue. If a homestead credit is disallowed
14 and the claimant failed to give written notice to the assessor
15 as required by section 425.2 when the property ceased to be
16 used as a homestead by the claimant, a civil penalty equal to
17 five percent of the amount of the disallowed credit is assessed
18 against the claimant.

19 Sec. 7. Section 425.27, Code 2015, is amended to read as
20 follows:

21 **425.27 Audit — recalculation or denial — appeals.**

22 If on the audit of a claim for credit or reimbursement under
23 this division, the director determines the amount of the claim
24 to have been incorrectly calculated or that the claim is not
25 allowable, the director shall recalculate the claim and notify
26 the claimant of the recalculation or denial and the reasons
27 for it. The recalculation of the claim shall be final unless
28 appealed to the director within thirty days from the date of
29 notice of recalculation or denial. The director shall grant a
30 hearing, and upon hearing determine the correct claim, if any,
31 and notify the claimant of the decision by mail. The director
32 shall not adjust a claim after three years from October 31
33 of the year in which the claim was filed. If the claim for
34 reimbursement has been paid, the amount may be recovered by
35 assessment in the same manner that income taxes are assessed

LSB 1383YC (4) 86

-4-

mm/sc

4/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 under sections 422.26 and 422.30. If the claim for credit has
2 been paid, the director shall give notification to the claimant
3 and the county treasurer of the recalculation or denial of the
4 claim and the county treasurer shall proceed to collect the
5 tax owed in the same manner as other property taxes due and
6 payable are collected, if the property on which the credit was
7 granted is still owned by the claimant, and repay the amount
8 to the director upon collection. If the property on which the
9 credit was granted is not owned by the claimant, the amount
10 may be recovered from the claimant by assessment in the same
11 manner that income taxes are assessed under sections 422.26
12 and 422.30. The ~~recalculation of the claim~~ decision of the
13 director shall be final unless appealed as provided in section
14 425.31. Section 422.70 is applicable with respect to this
15 division.

16 Sec. 8. Section 425.31, Code 2015, is amended to read as
17 follows:

18 **425.31 Appeals.**

19 Any person aggrieved by an act or decision of the director
20 of revenue or the department of revenue under this division
21 shall have the same rights of appeal and review as provided
22 in ~~sections 421.1 and~~ section 423.38 and the rules of the
23 department of revenue.

24 Sec. 9. Section 426A.6, Code 2015, is amended to read as
25 follows:

26 **426A.6 Setting aside allowance.**

27 If the director of revenue determines that a claim for
28 military service tax exemption has been allowed by a board of
29 supervisors which is not justifiable under the law and not
30 substantiated by proper facts, the director may, at any time
31 within thirty-six months from July 1 of the year in which the
32 claim is allowed, set aside the allowance. Notice of the
33 disallowance shall be given to the county auditor of the county
34 in which the claim has been improperly granted and a written
35 notice of the disallowance shall also be addressed to the

LSB 1383YC (4) 86

-5-

mm/sc

5/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 claimant at the claimant's last known address. The claimant
2 or the board of supervisors may appeal to the ~~state board of~~
3 ~~tax review pursuant to section 421.1, subsection 5~~ director
4 of revenue within thirty days from the date of the notice of
5 disallowance. The director shall grant a hearing and if, upon
6 the hearing, the director determines that the disallowance was
7 incorrect, the director shall set aside the disallowance. The
8 director shall notify the claimant and the board of supervisors
9 of the result of the hearing. The claimant or the board of
10 supervisors may seek judicial review of the action of the
11 ~~state board of tax review~~ director of revenue in accordance
12 with chapter 17A. If a claim is disallowed by the director
13 of revenue and not appealed to the ~~state board of tax review~~
14 director of revenue or appealed to the ~~state board of tax~~
15 ~~review~~ director of revenue and thereafter upheld upon final
16 resolution, including judicial review, the credits allowed and
17 paid from the general fund of the state become a lien upon the
18 property on which the credit was originally granted, if still
19 in the hands of the claimant and not in the hands of a bona fide
20 purchaser, the amount so erroneously paid shall be collected
21 by the county treasurer in the same manner as other taxes, and
22 the collections shall be returned to the department of revenue
23 and credited to the general fund of the state. The director
24 of revenue may institute legal proceedings against a military
25 service tax exemption claimant for the collection of payments
26 made on disallowed exemptions.

27 Sec. 10. Section 426C.7, subsection 2, Code 2015, is amended
28 to read as follows:

29 2. The claimant or board of supervisors may appeal any
30 decision of the director of revenue to the ~~state board of tax~~
31 ~~review pursuant to section 421.1, subsection 5~~ director of
32 revenue within thirty days from the date of the notice of the
33 recalculation or denial provided to the claimant and county
34 auditor. The director shall grant a hearing, and upon hearing
35 the director shall determine the correct credit, if any, and

LSB 1383YC (4) 86

-6-

mm/sc

6/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 notify the claimant, board of supervisors, county auditor, and
2 county treasurer of the decision by mail. The claimant, or
3 ~~the board of supervisors, or the director of revenue~~ may seek
4 judicial review of the action of the ~~state board of tax review~~
5 director of revenue in accordance with chapter 17A.

6 Sec. 11. Section 429.1, Code 2015, is amended to read as
7 follows:

8 **429.1 Notice of assessment.**

9 The director of revenue shall, at the time of making the
10 assessment of property as provided in chapters 428, 433, 434,
11 437, and 438, inform the person assessed, by mail, of the
12 valuation put upon the taxpayer's property. The notice shall
13 contain a notice of the taxpayer's right of appeal to the ~~state~~
14 ~~board of tax review~~ director of revenue as provided in section
15 429.2.

16 Sec. 12. Section 429.2, Code 2015, is amended to read as
17 follows:

18 **429.2 Appeal.**

19 1. ~~Notwithstanding the provisions of chapter 17A, the~~ The
20 taxpayer shall have thirty days from the date of the notice of
21 assessment to appeal the assessment to the ~~state board of tax~~
22 ~~review~~ director of revenue. Thereafter, the proceedings before
23 the ~~state board of tax review~~ director of revenue shall conform
24 to the provisions of subsection 2, ~~section 421.1, subsection~~
25 ~~5,~~ and chapter 17A.

26 2. The following rules shall apply to the appeal proceedings
27 in addition to those stated in ~~section 421.1, subsection 5, and~~
28 chapter 17A:

29 a. The department's assessment shall be presumed correct
30 and the burden of proof shall be on the taxpayer with respect
31 to all issues raised on appeal, including any challenge of the
32 director's valuation.

33 b. The burden of proof must be carried by a preponderance of
34 the evidence.

35 c. The ~~board~~ director of revenue shall consider all evidence

LSB 1383YC (4) 86

-7-

mm/sc

7/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 and witnesses offered by the taxpayer ~~and the department,~~
2 including, but not limited to, evidence relating to the proper
3 valuation of the property involved.

4 d. The ~~board~~ director of revenue shall make an independent
5 determination of the value of the property based solely upon
6 ~~its~~ the director's review of the evidence presented.

7 e. Upon the request of a party, the ~~board~~ director of
8 revenue shall set the case for hearing within one year of
9 the date of the request, unless for good cause shown, by
10 application and ruling thereon after notice and not ex parte,
11 the hearing date is continued by the ~~board~~ director of revenue.

12 Sec. 13. Section 429.3, Code 2015, is amended to read as
13 follows:

14 **429.3 Judicial review.**

15 Judicial review of the action of the ~~state board of tax~~
16 ~~review~~ director of revenue may be sought by the taxpayer ~~or the~~
17 ~~director of revenue~~ in accordance with the terms of chapter
18 17A.

19 Sec. 14. Section 441.21, subsection 1, paragraph i,
20 subparagraphs (2) and (5), Code 2015, are amended to read as
21 follows:

22 (2) The conference board shall respond to the department
23 within thirty days of receipt of the notice of noncompliance.
24 The conference board may respond to the notice by asserting
25 that the assessor is in compliance with the rules, guidelines,
26 and forms of the department or by informing the department that
27 the conference board intends to submit a plan of action to
28 achieve compliance. If the conference board responds to the
29 notification by asserting that the assessor is in compliance, a
30 hearing before the director of revenue shall be scheduled on
31 the matter. Judicial review of the decision of the director
32 of revenue may be sought by the conference board in accordance
33 with chapter 17A.

34 (5) If the conference board disputes the determination
35 of the department, the chairperson of the conference board

LSB 1383YC (4) 86

-8-

mm/sc

8/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 may appeal the determination to the ~~state board of tax~~
2 ~~review~~ director of revenue within thirty days from the date
3 of the notice that the assessor remains in noncompliance.
4 The director of revenue shall grant a hearing, and upon
5 hearing shall determine the correctness of the department's
6 determination of noncompliance. The director of revenue shall
7 notify the conference board of the decision by mail. Judicial
8 review of the decision of the director of revenue may be sought
9 by the chairperson of the conference board in accordance with
10 chapter 17A.

11 Sec. 15. Section 441.49, subsection 5, Code 2015, is amended
12 to read as follows:

13 5. Not later than ten days after the date the final
14 equalization order is issued, the city or county officials
15 of the affected county or assessing jurisdiction may appeal
16 the final equalization order to the ~~state board of tax~~
17 ~~review~~ director of revenue. The appeal shall not delay the
18 implementation of the equalization orders. The director shall
19 grant a hearing, and upon hearing the director shall determine
20 the correctness of the final equalization order, and notify
21 city or county officials of the affected county or assessing
22 jurisdiction of the decision by mail. Judicial review of the
23 decision of the director of revenue may be sought by the city
24 or county officials in accordance with chapter 17A.

25 Sec. 16. EFFECTIVE DATES.

26 1. Except as provided in subsection 2, this division of this
27 Act, being deemed of immediate importance, takes effect upon
28 enactment.

29 2. The following provisions of this division of this Act
30 take effect July 1, 2016:

- 31 a. The section of this Act amending section 68B.35.
32 b. The section of this Act amending section 421.60.

33 EXPLANATION

34 The inclusion of this explanation does not constitute agreement with
35 the explanation's substance by the members of the general assembly.

LSB 1383YC (4) 86

-9-

mm/sc

9/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 This bill provides for the future repeal of the state board
2 of tax review, appeals to the director of revenue (director)
3 for certain tax matters, and modifies the powers and duties of
4 the director.

5 DIVISION I — FUTURE REPEAL OF STATE BOARD OF TAX REVIEW
6 — TRANSITION. Division I provides for the future repeal of
7 the state board of tax review. The state board of tax review
8 (board) is an independent, bipartisan board consisting of
9 three members appointed by the governor and confirmed by the
10 senate. One of the powers and duties of the board is to review
11 final decisions of the director, including but not limited
12 to final decisions issued by the director in a contested
13 case proceeding. The board also has original jurisdiction
14 to review the director's assessments of centrally assessed
15 property, which means the taxpayer appeals the assessment of
16 the director directly to the board. An appeal must be made to
17 the board within 30 days of a director's decision in order to
18 be considered timely. Both the taxpayer and the director have
19 the right to appeal a decision of the board to district court.

20 The division prohibits the board from accepting cases for
21 review, and prohibits a taxpayer from filing an appeal with the
22 board, on or after the effective date of the division. The
23 board is repealed and dissolved on the date that it disposes of
24 all pending cases or on July 1, 2016, whichever occurs earlier.
25 The division takes effect immediately upon enactment.

26 DIVISION II — CORRESPONDING CHANGES. Division II makes
27 corresponding changes to Code sections that reference the board
28 and provides for appeals to the director for certain actions
29 that are appealed directly to the board under current law.

30 The division removes members of the board from the
31 requirement to file certain financial statements with the
32 ethics and campaign disclosure board. The division also
33 strikes references to the board from the ability of a
34 prevailing taxpayer to be awarded litigation costs in certain
35 proceedings. These provisions take effect July 1, 2016.

LSB 1383YC (4) 86

-10-

mm/sc

10/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 The division amends the procedures for appealing the
2 director's disallowance, recalculation, or denial of a
3 homestead property tax credit, property tax credit or rent
4 reimbursement for elderly and disabled, military service
5 property tax exemption, or business property tax credit.
6 Current law provides that these decisions may be appealed to
7 the board. The division provides that these decisions may
8 be appealed to the director within 30 days of the notice of
9 disallowance, recalculation, or denial. If such an appeal is
10 made, the director is required to grant a hearing and determine
11 the correctness of the disallowance, recalculation, or denial.
12 The director's decisions are subject to judicial review.
13 The division amends procedures and rules for appealing the
14 director's assessment of telegraph and telephone companies
15 (Code chapter 433), railway companies (Code chapter 434),
16 electric transmission line companies (Code chapter 437),
17 pipeline companies (Code chapter 438), and certain other
18 property assessed by the director (Code chapter 428). Current
19 law provides that these tax assessments shall be appealed
20 directly to the board, and provides for certain additional
21 rules that apply to proceedings before the board. The division
22 provides that these tax assessments shall be appealed to the
23 director and provides that the existing additional rules
24 shall apply to appeal proceedings before the director. The
25 director's decisions are subject to judicial review.
26 The division specifies that a city or county conference
27 board may seek judicial review of the decision of the director
28 following a hearing to determine a city or county assessor's
29 noncompliance with the rules for valuation of property.
30 The division also amends the procedures for appealing a
31 determination by the department of revenue that an assessor
32 remains in noncompliance following a plan of action by a
33 conference board to achieve compliance. Current law provides
34 that such a determination may be appealed to the board. The
35 division provides that the decision may be appealed to the

LSB 1383YC (4) 86

-11-

mm/sc

11/12



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 director within 30 days of the notice of noncompliance. The
2 director is required to grant a hearing and determine the
3 correctness of the noncompliance determination. Judicial
4 review may be sought by the chairperson of the conference
5 board.

6 The division amends the procedures for appealing a final
7 equalization order of the director. Current law provides
8 that such orders may be appealed to the board. The division
9 provides that these orders may be appealed to the director.
10 The director is required to grant a hearing and determine the
11 correctness of the final equalization order. Judicial review
12 of the director's decision may be sought by the city or county
13 officials.

14 The division also amends the duties and powers of the
15 director with regard to the appeal of a final equalization
16 order. Current law provides that certain rules relating to
17 contested case proceedings in Code chapter 17A (administrative
18 procedures Act) do not apply to matters involving the
19 equalization of property, except in a hearing before the board.
20 The division provides that the contested case proceeding rules
21 will apply in a hearing before the director from an appeal of a
22 final equalization order, and provides for the future repeal on
23 July 1, 2016, of the reference to the board's exemption from
24 those rules.

25 Except as otherwise provided in the division, the division
26 takes effect immediately upon enactment.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House Study Bill 74 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON VANDER LINDEN)

A BILL FOR

1 An Act concerning the rights of parties to private construction
2 contracts and including applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1718YC (2) 86
je/rj



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 Section 1. NEW SECTION. 573B.1 Title.

2 This chapter shall be known as the "*Iowa Fairness in Private*
3 *Construction Contracts Act*".

4 Sec. 2. NEW SECTION. 573B.2 Definitions.

5 For the purposes of this chapter:

6 1. "*Construction*" means the same as defined in section
7 103A.3.

8 2. "*Contract*" means the same as defined in section 554.1201.

9 3. "*Contractor*" means a person or entity that engages in
10 the business of construction and has a contract with an owner
11 of the real property or with a trustee, agent, or spouse of
12 an owner. "*Contractor*" does not mean a person or entity who
13 provides architectural, landscape architectural, or engineering
14 design services.

15 4. "*Owner*" means the same as defined in section 103A.3.

16 5. "*Prime rate*" means the prime rate charged by banks
17 on short-term business loans, as determined by the board of
18 governors of the federal reserve system and published in the
19 federal reserve bulletin.

20 6. "*Private construction*" means construction of or on
21 private property.

22 7. "*Retainage*" means money earned by a contractor or
23 subcontractor but withheld to ensure proper performance by the
24 contractor or subcontractor.

25 8. "*Subcontractor*" means a person or entity that engages
26 in the business of construction, except a person or entity
27 entering into a contract directly with the owner of the real
28 property. "*Subcontractor*" does not mean a person or entity who
29 provides architectural, landscape architectural, or engineering
30 design services.

31 Sec. 3. NEW SECTION. 573B.3 Private construction contracts
32 — payment — provisions against public policy — failure to pay.

33 1. A person or entity that enters into a contract for
34 private construction shall make all payments pursuant to the
35 terms of the contract and in accordance with this chapter.

LSB 1718YC (2) 86

-1-

je/rj

1/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 2. A provision in a contract for private construction
2 that purports to waive, release, or extinguish the right to
3 resolve disputes through litigation in court or substantive or
4 procedural rights in connection with such litigation is void
5 and unenforceable as contrary to public policy.

6 3. A provision in a contract for private construction
7 providing that a payment from a contractor or subcontractor
8 to a subcontractor is contingent or conditioned upon receipt
9 of a payment from any other private party is no defense to a
10 claim to enforce a mechanic's lien or bond to secure payment of
11 claims pursuant to chapter 572.

12 4. A contract for private construction shall provide that
13 payment of amounts due a contractor from an owner, except
14 retainage, shall be made within thirty days after the owner
15 receives a timely, properly completed, undisputed request for
16 payment. If an owner fails to pay a contractor by the date
17 payment is due, the owner shall pay interest to the contractor
18 beginning on the first business day after payment is due,
19 computed at the prime rate plus one percent per year.

20 5. For a contract for private construction, a contractor
21 shall pay a subcontractor any amounts due within ten business
22 days of whichever of the following is later:

23 a. Receipt of payment by the contractor from the owner,
24 including payment of retainage, if retainage is released by the
25 owner.

26 b. The date payment to the subcontractor is due pursuant to
27 the contract.

28 6. If a contractor fails to pay a subcontractor pursuant
29 to subsection 5, the contractor shall pay interest to the
30 subcontractor beginning on the first business day after payment
31 becomes due, computed at the prime rate plus one percent per
32 year.

33 7. The provisions of subsections 5 and 6 shall apply to a
34 payment from a subcontractor to its subcontractor.

35 Sec. 4. NEW SECTION. **573B.4 Retainage.**

LSB 1718YC (2) 86

-2-

je/rj

2/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 1. An owner, contractor, or subcontractor may withhold
2 no more than five percent retainage from the amount of any
3 undisputed payment due.

4 2. If an owner, contractor, or subcontractor fails to pay
5 retainage pursuant to the terms of a contract for private
6 construction or as required by this chapter, the owner,
7 contractor, or subcontractor shall pay interest to the
8 contractor or subcontractor to whom payment was due, beginning
9 on the first business day after the payment was due, at the
10 prime rate plus one percent per year.

11 Sec. 5. NEW SECTION. 573B.5 Action or arbitration to
12 enforce.

13 Venue of any action to enforce the provisions of this
14 chapter, including arbitration, shall be in the county where
15 the applicable real property is located. The hearing in such
16 an arbitration shall be held in the county where the applicable
17 real property is located.

18 Sec. 6. NEW SECTION. 573B.6 Waiver or variance prohibited.

19 The rights and duties prescribed by this chapter shall not be
20 waived or varied under the terms of a contract. The terms of a
21 contract waiving or varying the rights and duties prescribed by
22 this chapter shall be unenforceable.

23 Sec. 7. NEW SECTION. 573B.7 Applicability.

24 The provisions of this chapter shall not apply to
25 single-family residential housing and multifamily residential
26 housing of four units or less. The provisions of this chapter
27 shall not apply to public works, a public utility as defined in
28 section 476.1, or public improvement projects.

29 Sec. 8. APPLICABILITY. This Act applies to construction
30 contracts entered into on or after the effective date of this
31 Act.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 This bill creates the "Iowa fairness in private construction

LSB 1718YC (2) 86

-3-

je/rj

3/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 contracts Act". The bill requires a person or entity that
2 enters into a contract for private construction to make
3 all payments pursuant to the terms of the contract and in
4 accordance with the bill. The bill provides that a provision
5 in a private construction contract that waives, releases, or
6 extinguishes the right to resolve disputes through litigation
7 is void as contrary to public policy.

8 The bill provides that a provision in a contract for
9 private construction making a payment from a contractor or
10 subcontractor to a subcontractor contingent or conditioned upon
11 receipt of a payment from any other private party is no defense
12 to a claim to enforce a mechanic's lien or bond to secure
13 payment of claims pursuant to Code chapter 572.

14 The bill requires that a contract for private construction
15 provide that payment of amounts due a contractor from an owner,
16 except retainage, shall be made within 30 days after the owner
17 receives a timely, properly completed, undisputed request for
18 payment. The bill provides that if an owner fails to pay a
19 contractor by the date payment is due, the owner must pay
20 interest to the contractor beginning the first business day
21 after payment is due, at the prime rate plus 1 percent per
22 year.

23 The bill provides that for a contract for private
24 construction, a contractor must pay a subcontractor any
25 amounts due within 10 business days of the later of either
26 the receipt of payment by the contractor from the owner,
27 including retainage, if released, or the date payment to the
28 subcontractor is due pursuant to the contract. The bill
29 provides that if a contractor fails to pay a subcontractor in
30 this way, the contractor must pay interest to the subcontractor
31 beginning the first business day after payment is due, at the
32 prime rate plus 1 percent per year.

33 The bill defines "retainage" for the purposes of the "Iowa
34 fairness in private construction contracts Act" as money
35 earned by a contractor or subcontractor but withheld to ensure

LSB 1718YC (2) 86

-4-

je/rj

4/5



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 proper performance by the contractor or subcontractor. The
2 bill provides that an owner, contractor, or subcontractor may
3 withhold no more than 5 percent retainage from the amount of
4 any undisputed payment due. The bill provides that if an
5 owner, contractor, or subcontractor fails to pay retainage
6 as required, they must pay interest beginning on the first
7 business day after the payment was due, at the prime rate plus
8 1 percent per year.

9 The bill provides that any action to enforce the provisions
10 of the bill, including arbitration, will take place in the
11 county where the applicable real property is located.

12 The bill provides that the rights and duties prescribed
13 by the bill cannot be waived or varied under the terms
14 of a contract, and a provision of a contract doing so is
15 unenforceable.

16 The bill does not apply to single-family residential housing
17 and multifamily residential housing of four units or less or
18 public works, a public utility, or public improvement projects.

19 The bill applies to construction contracts entered into on
20 or after the effective date of the bill.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

House Study Bill 75 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON VANDER LINDEN)

A BILL FOR

1 An Act providing for the licensing of polysomnographic
2 technologists and exceptions thereto, making penalties
3 applicable, and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1669YC (4) 86
tr/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 Section 1. Section 135.24, subsection 2, paragraph a, Code
2 2015, is amended to read as follows:

3 a. Procedures for registration of health care providers
4 deemed qualified by the board of medicine, the board of
5 physician assistants, the dental board, the board of nursing,
6 the board of chiropractic, the board of psychology, the board
7 of social work, the board of behavioral science, the board
8 of pharmacy, the board of optometry, the board of podiatry,
9 the board of physical and occupational therapy, the board of
10 respiratory care and polysomnography, and the Iowa department
11 of public health, as applicable.

12 Sec. 2. Section 147.1, subsections 3 and 6, Code 2015, are
13 amended to read as follows:

14 3. "*Licensed*" or "*certified*", when applied to a physician
15 and surgeon, podiatric physician, osteopathic physician and
16 surgeon, physician assistant, psychologist, chiropractor,
17 nurse, dentist, dental hygienist, dental assistant,
18 optometrist, speech pathologist, audiologist, pharmacist,
19 physical therapist, physical therapist assistant, occupational
20 therapist, occupational therapy assistant, orthotist,
21 prosthetist, pedorthist, respiratory care practitioner,
22 practitioner of cosmetology arts and sciences, practitioner
23 of barbering, funeral director, dietitian, marital and
24 family therapist, mental health counselor, polysomnographic
25 technologist, social worker, massage therapist, athletic
26 trainer, acupuncturist, nursing home administrator, hearing aid
27 dispenser, or sign language interpreter or transliterator means
28 a person licensed under this subtitle.

29 6. "*Profession*" means medicine and surgery, podiatry,
30 osteopathic medicine and surgery, practice as a physician
31 assistant, psychology, chiropractic, nursing, dentistry,
32 dental hygiene, dental assisting, optometry, speech pathology,
33 audiology, pharmacy, physical therapy, physical therapist
34 assisting, occupational therapy, occupational therapy
35 assisting, respiratory care, cosmetology arts and sciences,

LSB 1669YC (4) 86

-1-

tr/nh

1/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 barbering, mortuary science, marital and family therapy, mental
2 health counseling, polysomnography, social work, dietetics,
3 massage therapy, athletic training, acupuncture, nursing
4 home administration, hearing aid dispensing, sign language
5 interpreting or transliterating, orthotics, prosthetics, or
6 pedorthics.

7 Sec. 3. Section 147.2, subsection 1, Code 2015, is amended
8 to read as follows:

9 1. A person shall not engage in the practice of medicine
10 and surgery, podiatry, osteopathic medicine and surgery,
11 psychology, chiropractic, physical therapy, physical
12 therapist assisting, nursing, dentistry, dental hygiene,
13 dental assisting, optometry, speech pathology, audiology,
14 occupational therapy, occupational therapy assisting,
15 orthotics, prosthetics, pedorthics, respiratory care,
16 pharmacy, cosmetology arts and sciences, barbering, social
17 work, dietetics, marital and family therapy or mental health
18 counseling, massage therapy, mortuary science, polysomnography,
19 athletic training, acupuncture, nursing home administration,
20 hearing aid dispensing, or sign language interpreting
21 or transliterating, or shall not practice as a physician
22 assistant, unless the person has obtained a license for that
23 purpose from the board for the profession.

24 Sec. 4. Section 147.13, subsection 18, Code 2015, is amended
25 to read as follows:

26 18. For respiratory care and polysomnography, the board of
27 respiratory care and polysomnography.

28 Sec. 5. Section 147.14, subsection 1, paragraph o, Code
29 2015, is amended to read as follows:

30 o. For respiratory care and polysomnography, one licensed
31 physician with training in respiratory care, ~~three~~ two
32 respiratory care practitioners who have practiced respiratory
33 care for a minimum of six years immediately preceding their
34 appointment to the board and who are recommended by the society
35 for respiratory care, one polysomnographic technologist who

LSB 1669YC (4) 86

-2-

tr/nh

2/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 has practiced polysomnography for a minimum of six years
2 immediately preceding appointment to the board and who
3 is recommended by the Iowa sleep society, and one member
4 not licensed to practice medicine, osteopathic medicine,
5 polysomnography, or respiratory care who shall represent the
6 general public.

7 Sec. 6. Section 147.74, Code 2015, is amended by adding the
8 following new subsection:

9 NEW SUBSECTION. 23A. A person who is licensed to engage in
10 the practice of polysomnography shall have the right to use the
11 title "polysomnographic technologist" or the letters "P.S.G.T."
12 after the person's name. No other person may use that title
13 or letters or any other words or letters indicating that the
14 person is a polysomnographic technologist.

15 Sec. 7. NEW SECTION. 148G.1 Definitions.

16 As used in this chapter, unless the context otherwise
17 requires:

18 1. "*Board*" means the board of respiratory care and
19 polysomnography established in chapter 147.

20 2. "*Direct supervision*" means that the polysomnographic
21 technologist providing supervision must be present where the
22 polysomnographic procedure is being performed and immediately
23 available to furnish assistance and direction throughout the
24 performance of the procedure.

25 3. "*General supervision*" means that the polysomnographic
26 procedure is provided under a physician's or qualified health
27 care professional prescriber's overall direction and control,
28 but the physician's or qualified health care professional
29 prescriber's presence is not required during the performance
30 of the procedure.

31 4. "*Physician*" means a person who is currently licensed in
32 Iowa to practice medicine and surgery or osteopathic medicine
33 and surgery and who is board certified in sleep medicine and
34 who is actively involved in the sleep medicine center or
35 laboratory.

LSB 1669YC (4) 86

-3-

tr/nh

3/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 5. *"Polysomnographic student"* means a person who is
2 enrolled in a program approved by the board and who may
3 provide sleep-related services under the direct supervision
4 of a polysomnographic technologist as a part of the person's
5 educational program.

6 6. *"Polysomnographic technician"* means a person who has
7 graduated from a program approved by the board, but has not
8 yet received an accepted national credential awarded from an
9 examination program approved by the board and who may provide
10 sleep-related services under the direct supervision of a
11 licensed polysomnographic technologist for a period of up to
12 thirty days following graduation while awaiting credentialing
13 examination scheduling and results.

14 7. *"Polysomnographic technologist"* means a person licensed
15 by the board to engage in the practice of polysomnography under
16 the general supervision of a physician or a qualified health
17 care professional prescriber.

18 8. *"Practice of polysomnography"* means as described in
19 section 148G.2.

20 9. *"Qualified health care practitioner"* means an individual
21 who is licensed under section 147.2, and who holds a
22 credential listed on the board of registered polysomnographic
23 technologists list of accepted allied health credentials.

24 10. *"Qualified health care professional prescriber"* means a
25 physician assistant operating under the prescribing authority
26 granted in section 147.107 or an advanced registered nurse
27 practitioner operating under the prescribing authority granted
28 in section 147.107.

29 11. *"Sleep-related services"* means acts performed by
30 polysomnographic technicians, polysomnographic students, and
31 other persons permitted to perform those services under this
32 chapter, in a setting described in this chapter that would be
33 considered the practice of polysomnography if performed by a
34 polysomnographic technologist.

35 Sec. 8. NEW SECTION. **148G.2 Practice of polysomnography.**

LSB 1669YC (4) 86

-4-

tr/nh

4/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 The practice of polysomnography consists of but is not
2 limited to the following tasks as performed for the purpose of
3 polysomnography, under the general supervision of a licensed
4 physician or qualified health care professional prescriber:

5 1. Monitoring, recording, and evaluating physiologic
6 data during polysomnographic testing and review during the
7 evaluation of sleep-related disorders, including sleep-related
8 respiratory disturbances, by applying any of the following
9 techniques, equipment, or procedures:

10 *a.* Noninvasive continuous, bilevel positive airway pressure,
11 or adaptive servo-ventilation titration on spontaneously
12 breathing patients using a mask or oral appliance; provided,
13 that the mask or oral appliance does not extend into the
14 trachea or attach to an artificial airway.

15 *b.* Supplemental low-flow oxygen therapy of less than six
16 liters per minute, utilizing a nasal cannula or incorporated
17 into a positive airway pressure device during a polysomnogram.

18 *c.* Capnography during a polysomnogram.

19 *d.* Cardiopulmonary resuscitation.

20 *e.* Pulse oximetry.

21 *f.* Gastroesophageal pH monitoring.

22 *g.* Esophageal pressure monitoring.

23 *h.* Sleep stage recording using surface
24 electroencephalography, surface electrooculography, and surface
25 submental electromyography.

26 *i.* Surface electromyography.

27 *j.* Electrocardiography.

28 *k.* Respiratory effort monitoring, including thoracic and
29 abdominal movement.

30 *l.* Plethysmography blood flow monitoring.

31 *m.* Snore monitoring.

32 *n.* Audio and video monitoring.

33 *o.* Body movement monitoring.

34 *p.* Nocturnal penile tumescence monitoring.

35 *q.* Nasal and oral airflow monitoring.

LSB 1669YC (4) 86

-5-

tr/nh

5/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 r. Body temperature monitoring.

2 2. Monitoring the effects that a mask or oral appliance
3 used to treat sleep disorders has on sleep patterns; provided,
4 however, that the mask or oral appliance shall not extend into
5 the trachea or attach to an artificial airway.

6 3. Observing and monitoring physical signs and symptoms,
7 general behavior, and general physical response to
8 polysomnographic evaluation and determining whether initiation,
9 modification, or discontinuation of a treatment regimen is
10 warranted.

11 4. Analyzing and scoring data collected during the
12 monitoring described in this section for the purpose of
13 assisting a physician in the diagnosis and treatment of sleep
14 and wake disorders that result from developmental defects,
15 the aging process, physical injury, disease, or actual or
16 anticipated somatic dysfunction.

17 5. Implementation of a written or verbal order from a
18 physician or qualified health care professional prescriber to
19 perform polysomnography.

20 6. Education of a patient regarding the treatment regimen
21 that assists the patient in improving the patient's sleep.

22 7. Use of any oral appliance used to treat sleep-disordered
23 breathing while under the care of a licensed polysomnographic
24 technologist during the performance of a sleep study, as
25 directed by a licensed dentist.

26 Sec. 9. NEW SECTION. 148G.3 Location of services.

27 The practice of polysomnography shall take place only in a
28 facility that is accredited by a nationally recognized sleep
29 medicine laboratory or center accrediting agency, in a hospital
30 licensed under chapter 135B, or in a patient's home pursuant to
31 rules adopted by the board; provided, however, that the scoring
32 of data and the education of patients may take place in another
33 setting.

34 Sec. 10. NEW SECTION. 148G.4 Scope of chapter.

35 Nothing in this chapter shall be construed to limit or

LSB 1669YC (4) 86

-6-

tr/nh

6/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 restrict a health care practitioner licensed in this state from
2 engaging in the full scope of practice of the individual's
3 profession.

4 Sec. 11. NEW SECTION. 148G.5 Rulemaking.

5 The board shall adopt rules necessary for the implementation
6 and administration of this chapter and the applicable
7 provisions of chapters 147 and 272C.

8 Sec. 12. NEW SECTION. 148G.6 Licensing requirements.

9 1. Beginning January 1, 2017, a person seeking licensure
10 as a polysomnographic technologist shall apply to the board
11 and pay the fees established by the board for licensure.
12 The application shall show that the applicant is of good
13 moral character and is at least eighteen years of age, and
14 shall include proof that the person has satisfied one of the
15 following educational requirements:

16 a. Graduation from a polysomnographic educational program
17 that is accredited by the committee on accreditation for
18 polysomnographic technologist education or an equivalent
19 program as determined by the board.

20 b. Graduation from a respiratory care educational program
21 that is accredited by the commission on accreditation
22 for respiratory care or by a committee on accreditation
23 for the commission on accreditation of allied health
24 education programs, and completion of the curriculum for a
25 polysomnographic certificate established and accredited by the
26 commission on accreditation of allied health education programs
27 as an extension of the respiratory care program.

28 c. Graduation from an electroneurodiagnostic technologist
29 educational program that is accredited by the committee
30 on accreditation for education in electroneurodiagnostic
31 technology or by a committee on accreditation for the
32 commission on accreditation of allied health education
33 programs, and completion of the curriculum for a
34 polysomnographic certificate established and accredited by the
35 commission on accreditation of allied health education programs

LSB 1669YC (4) 86

-7-

tr/nh

7/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 as an extension of the electroneurodiagnostic educational
2 program.

3 2. Notwithstanding subsection 1, beginning January 1, 2017,
4 the board may issue a license to perform polysomnography to
5 a health care practitioner who holds an active license under
6 section 147.2 in a profession other than polysomnography and
7 who is in good standing with the board for that profession upon
8 application to the board demonstrating either of the following:

9 a. Successful completion of an educational program in
10 polysomnography approved by the board.

11 b. Successful completion of an examination in
12 polysomnography approved by the board.

13 3. Notwithstanding subsection 1, beginning January 1,
14 2017, a person who is working in the field of sleep medicine
15 on January 1, 2017, may apply to the board for a license to
16 perform polysomnography. The board may issue a license to the
17 person, without examination, provided the application contains
18 verification that the person has completed five hundred
19 hours of paid clinical or nonclinical polysomnographic work
20 experience within the three years prior to submission of the
21 application. The application shall also contain verification
22 from the person's supervisor that the person is competent to
23 perform polysomnography.

24 4. A person who is working in the field of sleep medicine
25 on January 1, 2017, who is not otherwise eligible to obtain
26 a license pursuant to this section shall have until January
27 1, 2018, to achieve a passing score on an examination as
28 designated by the board. The board shall allow the person
29 to attempt the examination and be awarded a license as a
30 polysomnographic technologist by meeting or exceeding the
31 passing point established by the board. After January 1,
32 2018, only persons licensed as polysomnographic technologists
33 pursuant to this chapter, or excepted from the requirements of
34 this chapter may perform sleep-related services.

35 Sec. 13. NEW SECTION. 148G.7 Persons exempt from licensing

LSB 1669YC (4) 86

-8-

tr/nh

8/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 requirement.

2 1. The following persons may provide sleep-related services
3 without being licensed as a polysomnographic technologist under
4 this chapter:

5 a. A qualified health care practitioner may provide
6 sleep-related services under the direct supervision of a
7 licensed polysomnographic technologist for a period of up to
8 six months while gaining the clinical experience necessary
9 to meet the admission requirements for a polysomnographic
10 credentialing examination. The board may grant a one-time
11 extension of up to six months.

12 b. A polysomnographic student may provide sleep-related
13 services under the direct supervision of a polysomnographic
14 technologist as a part of the student's educational program
15 while actively enrolled in a polysomnographic educational
16 program that is accredited by the commission on accreditation
17 of allied health education programs or an equivalent program as
18 determined by the board.

19 2. Before providing any sleep-related services, a
20 polysomnographic technician or polysomnographic student who is
21 obtaining clinical experience shall give notice to the board
22 that the person is working under the direct supervision of a
23 polysomnographic technologist in order to gain the experience
24 to be eligible to sit for a national certification examination.
25 The person shall wear a badge that appropriately identifies the
26 person while providing such services.

27 Sec. 14. NEW SECTION. 148G.8 Licensing sanctions.

28 The board may impose sanctions for violations of this
29 chapter as provided in chapters 147 and 272C.

30 Sec. 15. Section 152B.1, subsection 1, Code 2015, is amended
31 to read as follows:

32 1. "Board" means the board of respiratory care and
33 polysomnography created under chapter 147.

34 Sec. 16. Section 272C.1, subsection 6, paragraph z, Code
35 2015, is amended to read as follows:

LSB 1669YC (4) 86

-9-

tr/nh

9/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 z. The board of respiratory care and polysomnography in
2 licensing respiratory care practitioners pursuant to chapter
3 152B and polysomnographic technologists pursuant to chapter
4 148G.

5 Sec. 17. INITIAL APPOINTMENT OF POLYSOMNOGRAPHIC
6 TECHNOLOGIST TO BOARD. For the initial appointment of the
7 polysomnographic member to the board of respiratory care and
8 polysomnography pursuant to section 147.14, as amended in this
9 Act, such appointee must be eligible for licensure pursuant to
10 this Act. The appointment shall be effective upon the first
11 expiration of the term of an existing respiratory care board
12 member which occurs after the effective date of this section
13 of this Act.

14 Sec. 18. EFFECTIVE DATE. The following provision or
15 provisions of this Act take effect January 1, 2017:

16 1. The section of this Act amending section 147.2,
17 subsection 1.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill requires the licensing of polysomnographic
22 technologists beginning January 1, 2017, and makes the
23 provisions of Code chapters 147 and 272C, including penalty
24 and other regulatory provisions, applicable to other health
25 professions applicable to the practice of polysomnography.
26 Code section 147.86 provides that it is a serious misdemeanor
27 to violate a provision of the licensing laws. A serious
28 misdemeanor is punishable by confinement for no more than one
29 year and a fine of at least \$315 but not more than \$1,875. The
30 licensing program is administered and regulated by the board of
31 respiratory care and polysomnography, with one respiratory care
32 practitioner replaced by a polysomnographic technologist.

33 The bill provides that the board may issue a license to a
34 person who has graduated from one of three educational programs
35 approved by the board. The board may also issue a license

LSB 1669YC (4) 86

-10-

tr/nh

10/11



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

H.F. _____

1 to any health care practitioner licensed under Code section
2 147.2 to practice polysomnography as long as the practitioner
3 shows the board that he or she has completed an educational
4 program or passed an examination approved by the board. The
5 board may license a person working in the field of sleep
6 medicine on January 1, 2017, without examination, to perform
7 polysomnography. The applicant must provide evidence that
8 the applicant has completed 500 hours of paid clinical or
9 nonclinical polysomnographic work experience within the three
10 years prior to submission of the application. The application
11 shall also contain verification from the applicant's supervisor
12 that the applicant is competent to perform polysomnography.
13 A person currently practicing polysomnography who is not
14 otherwise eligible for licensure under the bill has until
15 January 1, 2018, to pass an examination approved by the board.
16 A licensed polysomnographic technologist practices under
17 the general supervision of a physician, a physician assistant,
18 or an advanced registered nurse practitioner, providing
19 specifically enumerated services related to sleep disorders. A
20 polysomnographic student enrolled in an approved educational
21 program provides services under the direct supervision of a
22 polysomnographic technologist.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 62 - Introduced

SENATE FILE 62
BY BOLKCOM

A BILL FOR

1 An Act relating to the use of triclosan in certain products,
2 providing civil penalties, and including effective date
3 provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1607XS (5) 86
tr/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 62

1 Section 1. NEW SECTION. 135.191 Triclosan prohibition.

2 1. A person shall not offer for retail sale in this state
3 any cleaning product that contains triclosan and is intended
4 to be used by the consumer for sanitizing or hand or body
5 cleansing.

6 2. The prohibition in subsection 1 shall not apply to
7 individual products for which specific United States food and
8 drug administration approval for consumer use has been secured.

9 3. A person who violates this section is subject to a civil
10 penalty of one thousand dollars for each violation.

11 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,
12 2017.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill, beginning January 1, 2017, prohibits the retail
17 sale of any cleaning product that contains triclosan and is
18 intended to be used by the consumer for sanitizing or hand or
19 body cleansing. The prohibition shall not apply to individual
20 products for which specific United States food and drug
21 administration approval for consumer use has been secured. The
22 bill provides that a person who violates the bill is subject to
23 a civil penalty of \$1,000 for each violation.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 63 - Introduced

SENATE FILE 63

BY CHELGREN, ZAUN, ROZENBOOM,
KAPUCIAN, BEHN, ANDERSON,
McCOY, COSTELLO, GUTH,
SCHULTZ, and KRAAYENBRINK

A BILL FOR

1 An Act establishing a public offense for intimidation by
2 desecration of flag or insignia in violation of individual
3 rights, classifying the offense as a hate crime, and
4 including penalties.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1421XS (4) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 63

1 Section 1. NEW SECTION. 718A.1B Intimidation by desecration
2 of flag or insignia in violation of individual rights.

3 For the purposes of this section, *"intimidation by*
4 *desecration of flag or insignia in violation of individual*
5 *rights"* means a violation of section 718A.1A with intent to
6 intimidate a person on the basis of that person's veteran
7 status or on the basis of a person's association with a
8 veteran, and shall be classified as a hate crime as defined
9 in section 729A.2. A person who commits intimidation by
10 desecration of flag or insignia in violation of individual
11 rights is guilty of a simple misdemeanor.

12 Sec. 2. Section 729A.1, Code 2015, is amended to read as
13 follows:

14 **729A.1 Violations of an individual's rights prohibited.**

15 1. Persons within the state of Iowa have the right to be
16 free from any violence, or intimidation by threat of violence,
17 committed against their persons or property because of their
18 race, color, religion, ancestry, national origin, political
19 affiliation, sex, sexual orientation, age, or disability.

20 2. Persons within the state of Iowa have the right to be
21 free from any violence or intimidation committed against their
22 persons or property because of their veteran status or on the
23 basis of a person's association with a veteran.

24 Sec. 3. Section 729A.2, unnumbered paragraph 1, Code 2015,
25 is amended to read as follows:

26 *"Hate crime"* means one of the following public offenses when
27 committed against a person or a person's property because of
28 the person's race, color, religion, ancestry, national origin,
29 political affiliation, sex, sexual orientation, age, veteran
30 status, or disability, or the person's association with a
31 person of a certain race, color, religion, ancestry, national
32 origin, political affiliation, sex, sexual orientation, age,
33 veteran status, or disability:

34 Sec. 4. Section 729A.2, Code 2015, is amended by adding the
35 following new subsection:

LSB 1421XS (4) 86

-1-

aw/sc

1/2



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 63

1 NEW SUBSECTION. 5. Intimidation by desecration of flag
2 or insignia in violation of individual rights under section
3 718A.1B.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill establishes a public offense for intimidation by
8 desecration of flag or insignia in violation of individual
9 rights as a simple misdemeanor. A simple misdemeanor is
10 punishable by confinement for no more than 30 days or a fine of
11 at least \$65 but not more than \$625 or by both.

12 Under current Code section 718A.1A, desecration of a flag
13 or insignia is considered a simple misdemeanor. The bill
14 establishes a separate public offense for the desecration of
15 a flag or insignia with intent to intimidate a person on the
16 basis of the person's veteran status or on the basis of a
17 person's association with a veteran.

18 The bill further provides that intimidation by desecration
19 of flag or insignia in violation of individual rights is a hate
20 crime under Code chapter 729A. Code section 729A.5 provides
21 certain civil remedies to victims of hate crimes.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 64 - Introduced

SENATE FILE 64
BY CHELGREN

A BILL FOR

1 An Act relating to the teaching effectiveness and employment of
2 professors employed by institutions of higher learning under
3 the control of the state board of regents.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1523XS (6) 86
kh/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 64

1 Section 1. Section 262.9, subsection 25, Code 2015, is
2 amended to read as follows:

3 25. a. Require that any professor employed by an
4 institution of higher learning under the control of the board
5 teach at least one course offered for academic credit per
6 semester.

7 b. (1) Collaborate with the institutions of higher learning
8 under the board's control to develop and adopt the criteria
9 and a rating system the institutions shall use to establish
10 specific performance goals for professors and to evaluate the
11 performance of each professor employed by each institution
12 based on the evaluations completed by students pursuant to
13 this paragraph. Each institution of higher learning under
14 the board's control shall develop, and administer at the
15 end of each semester, an evaluation mechanism by which each
16 student enrolled in the institution shall assess the teaching
17 effectiveness of each professor who is providing instruction to
18 the student each semester. For a professor teaching multiple
19 classes in a semester, the institution shall compile an average
20 evaluation score. Scores are not cumulative. If a professor
21 fails to attain a minimum threshold of performance based on the
22 student evaluations used to assess the professor's teaching
23 effectiveness, in accordance with the criteria and rating
24 system adopted by the board, the institution shall terminate
25 the professor's employment regardless of tenure status or
26 contract.

27 (2) The names of the five professors who rank lowest on
28 their institution's evaluation for the semester, but who scored
29 above the minimum threshold of performance, shall be published
30 on the institution's internet site and the student body shall
31 be offered an opportunity to vote on the question of whether
32 any of the five professors will be retained as employees of the
33 institution. The employment of the professor receiving the
34 fewest votes approving retention shall be terminated by the
35 institution regardless of tenure status or contract.

LSB 1523XS (6) 86

-1-

kh/sc

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 64

1 any of the five professors will be retained as employees of
2 the institution. If a professor fails to attain a minimum
3 threshold of performance based on the evaluations or receives
4 the fewest votes approving retention, the institution shall
5 terminate the professor's employment regardless of tenure
6 status or contract.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 65 - Introduced

SENATE FILE 65
BY CHELGREN, WHITVER,
COSTELLO, and GARRETT

A BILL FOR

1 An Act concerning state agency rulemaking procedures relative
2 to rules required pursuant to federal law.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1370XS (3) 86
ec/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 65

1 Section 1. Section 17A.4, subsection 2, Code 2015, is
2 amended to read as follows:

3 2. An agency shall include in a preamble to each rule it
4 adopts a brief explanation of the principal reasons for its
5 action and, if applicable, a brief explanation of the principal
6 reasons for its failure to provide in that rule for the
7 waiver of the rule in specified situations if no such waiver
8 provision is included in the rule. In addition, if the rule
9 is required pursuant to federal law, the explanation shall
10 identify the federal law or regulation requiring the rule and
11 specify the consequences for failure to adopt the rule. ~~This~~
12 ~~The explanatory requirement does~~ requirements do not apply
13 when the agency adopts a rule that only defines the meaning of
14 a provision of law if the agency does not possess delegated
15 authority to bind the courts to any extent with its definition.
16 In addition, if requested to do so by an interested person,
17 either prior to adoption or within thirty days thereafter, the
18 agency shall issue a concise statement of the principal reasons
19 for and against the rule adopted, incorporating therein the
20 reasons for overruling considerations urged against the rule.
21 This concise statement shall be issued either at the time of
22 the adoption of the rule or within thirty-five days after the
23 agency receives the request.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill requires state agencies when adopting an
28 administrative rule required by federal law to include in the
29 brief explanation in the preamble to the rule the federal law
30 or regulation requiring the rule and the consequences for
31 failure to adopt the rule.

LSB 1370XS (3) 86
ec/sc

1/1

-1-



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 66 - Introduced

SENATE FILE 66

BY CHELGREN, WHITVER, SCHULTZ,
and ZAUN

A BILL FOR

1 An Act relating to the option of voting straight party.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1121XS (4) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 66

1 Section 1. Section 49.37, subsection 1, Code 2015, is
2 amended to read as follows:

3 1. For general elections, and for other elections in which
4 more than one partisan office will be filled, the ~~first section~~
5 ~~of the ballot shall be for straight party voting~~ arranged as
6 provided in this section.

7 ~~a. Each political party or organization which has~~
8 ~~nominated candidates for more than one office shall be listed.~~
9 ~~Instructions to the voter for straight party or organization~~
10 ~~voting shall be in substantially the following form:~~

11 ~~To vote for all candidates from a single party or~~
12 ~~organization, mark the voting target next to the party or~~
13 ~~organization name. Not all parties or organizations have~~
14 ~~nominated candidates for all offices. Marking a straight party~~
15 ~~or organization vote does not include votes for nonpartisan~~
16 ~~offices, judges, or questions.~~

17 ~~b. Political parties and nonparty political organizations~~
18 ~~which have nominated candidates for only one office shall~~
19 ~~be listed below the other political organizations under the~~
20 ~~following heading:~~

21 ~~Other Political Organizations. The following organizations~~
22 ~~have nominated candidates for only one office:~~

23 ~~c. Offices shall be arranged in groups. Partisan offices,~~
24 ~~nonpartisan offices, judges, and public measures shall be~~
25 ~~separated by a distinct line appearing on the ballot.~~

26 Sec. 2. Section 49.37, Code 2015, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 1A. Offices shall be arranged in groups.
29 Partisan offices, nonpartisan offices, judges, and public
30 measures shall be separated by a distinct line appearing on the
31 ballot.

32 Sec. 3. Section 49.57, subsection 2, Code 2015, is amended
33 to read as follows:

34 2. ~~In the area of the general election ballot for straight~~
35 ~~party voting, the party or organization names shall be printed~~

LSB 1121XS (4) 86

-1-

aw/sc

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 66

1 ~~in upper case and lower case letters using a uniform font size~~
2 ~~for each political party or nonparty political organization.~~
3 ~~The font size shall be not less than twelve point type. After~~
4 ~~the name of each candidate for a partisan office the name of~~
5 ~~the candidate's political party shall be printed in at least~~
6 ~~six point type. The names of political parties and nonparty~~
7 ~~political organizations may be abbreviated on the remainder of~~
8 ~~the ballot if both the full name and the abbreviation appear~~
9 ~~in the "Straight Party" and "Other Political Party" areas of~~
10 ~~the ballot.~~

11 Sec. 4. Section 49.98, Code 2015, is amended to read as
12 follows:

13 **49.98 Counting ballots.**

14 The ballots shall be counted according to the voters' marks
15 on them as provided in sections 49.92 to 49.97 and 49.93,
16 and not otherwise. If, for any reason, it is impossible
17 to determine from a ballot, as marked, the choice of the
18 voter for any office, the vote for that office shall not be
19 counted. ~~When there is a conflict between a straight party or~~
20 ~~organization vote for one political party or nonparty political~~
21 ~~organization and the vote cast by marking the voting target~~
22 ~~next to the name of a candidate for another political party~~
23 ~~or nonparty political organization on the ballot, the mark~~
24 ~~next to the name of the candidate shall be held to control,~~
25 ~~and the straight party or organization vote in that case shall~~
26 ~~not apply as to that office. A ballot shall be rejected if~~
27 ~~the voter used a mark to identify the voter's ballot. For~~
28 ~~each voting system, the~~ The state commissioner shall, by rule
29 adopted pursuant to chapter 17A, develop uniform definitions of
30 what constitutes a vote.

31 Sec. 5. REPEAL. Sections 49.94, 49.95, 49.96, and 49.97,
32 Code 2015, are repealed.

33 **EXPLANATION**

34 The inclusion of this explanation does not constitute agreement with
35 the explanation's substance by the members of the general assembly.

LSB 1121XS (4) 86

aw/sc

2/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 66

1 This bill eliminates the option of voting straight party
2 for all candidates of a political party or nonparty political
3 organization. The bill applies to the general election and
4 elections at which more than one partisan office is to be
5 filled.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 67 - Introduced

SENATE FILE 67
BY CHELGREN and WHITVER

A BILL FOR

1 An Act prohibiting the use of automated or remote traffic law
2 enforcement systems, requiring removal of existing systems,
3 and including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1460XS (3) 86
ns/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 67

1 Section 1. Section 321.492B, Code 2015, is amended to read
2 as follows:

3 **321.492B Use of ~~unmanned aerial vehicle~~ automated or remote**
4 **systems for traffic law enforcement prohibited.**

5 The state or a political subdivision of the state shall not
6 use ~~an unmanned aerial vehicle~~ any automated or remote system
7 for traffic law enforcement including but not limited to an
8 unmanned aerial vehicle and any device with one or more sensors
9 working in conjunction with a traffic-control device, signal
10 light, speed measuring device, or parking meter device.

11 Sec. 2. REMOVAL OF AUTOMATED OR REMOTE TRAFFIC LAW
12 ENFORCEMENT SYSTEMS — VALIDITY OF PRIOR NOTICES AND
13 CITATIONS. On or before July 1, 2015, a local authority using
14 an automated or remote traffic law enforcement system shall
15 discontinue using the system and remove the system equipment.
16 Effective July 1, 2015, all local ordinances authorizing the
17 use of an automated or remote traffic law enforcement system
18 are void. However, notices of violations mailed or citations
19 issued pursuant to such an ordinance prior to July 1, 2015,
20 shall not be invalidated by the enactment of this Act and shall
21 be processed according to the provisions of the law under which
22 they were authorized.

23 Sec. 3. EFFECTIVE UPON ENACTMENT. The section of this
24 Act relating to the removal of automated or remote traffic
25 law enforcement systems and the validity of prior notices and
26 citations, being deemed of immediate importance, takes effect
27 upon enactment.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill imposes a statewide prohibition on the use of
32 automated or remote traffic law enforcement systems including
33 but not limited to unmanned aerial vehicles and any devices
34 with one or more sensors working in conjunction with a
35 traffic-control device, signal light, speed measuring device,

LSB 1460XS (3) 86

-1-

ns/nh

1/2



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 67

1 or parking meter device. This provision of the bill takes
2 effect July 1, 2015.

3 Local authorities that are currently using automated or
4 remote traffic law enforcement systems must discontinue their
5 use and remove related equipment on or before July 1, 2015.
6 On that date, all local ordinances authorizing the use of
7 automated or remote traffic law enforcement systems are void.
8 However, notices of violations that were mailed or citations
9 which were issued prior to July 1, 2015, are not invalidated by
10 the bill and remain enforceable. These provisions of the bill
11 take effect upon enactment.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 68 - Introduced

SENATE FILE 68
BY DEARDEN

A BILL FOR

1 An Act relating to the display of motor vehicle registration
2 plates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1701XS (2) 86
ns/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 68

1 Section 1. Section 321.37, subsection 3, Code 2015, is
2 amended to read as follows:

3 3. It is unlawful for the owner of a vehicle to place
4 any frame around or over the registration plate which does
5 not permit full view of all the validation sticker and the
6 combination of numerals and letters printed on the registration
7 plate which constitutes the registration plate number.

8 EXPLANATION

9 The inclusion of this explanation does not constitute agreement with
10 the explanation's substance by the members of the general assembly.

11 Current law prohibits a person from attaching a frame
12 around or over the person's motor vehicle registration plate
13 if the frame covers any numerals or letters printed on the
14 registration plate. This bill narrows this prohibition to
15 include only frames that cover the validation sticker or the
16 registration plate number. The scheduled fine for a violation
17 of this provision remains \$20.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 69 - Introduced

SENATE FILE 69
BY WILHELM

A BILL FOR

- 1 An Act relating to filling school board vacancies.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1719XS (1) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 69

1 Section 1. Section 279.6, Code 2015, is amended to read as
2 follows:

3 **279.6 Vacancies — qualification — tenure.**

4 1. a. Vacancies Except as provided in paragraph "b" and
5 subsection 2, vacancies occurring among the officers or members
6 of a school board shall be filled by the board by appointment.
7 A person so appointed to fill a vacancy in an elective office
8 shall hold office until a successor is elected and qualified
9 pursuant to section 69.12. To fill a vacancy occurring among
10 the members of a school board, the board shall publish notice
11 in the manner prescribed by section 279.36, stating that the
12 board intends to fill the vacancy by appointment but that
13 the electors of the school district have the right to file
14 a petition requiring that the vacancy be filled by a special
15 election conducted pursuant to section 279.7. The board may
16 publish notice in advance if a member of the board submits a
17 resignation to take effect at a future date. The board may
18 make an appointment to fill the vacancy after the notice is
19 published or after the vacancy occurs, whichever is later.
20 b. If within fourteen days after publication of a notice
21 required pursuant to paragraph "a", or within fourteen
22 days after the appointment is made, there is filed with
23 the secretary of the school board a petition requesting a
24 special election to fill the vacancy, an appointment to fill
25 the vacancy is temporary and the board shall call a special
26 election pursuant to section 279.7, to fill the vacancy for
27 the remaining balance of the unexpired term. When the board
28 is reduced below a quorum, the secretary of the board, or if
29 there is no secretary, the area education agency administrator,
30 shall call a special election in the district, subdistrict, or
31 subdistricts, as the case may be, to fill the vacancies. The
32 petition must be signed by eligible electors equal in number
33 to not less than one hundred or thirty percent of the number of
34 voters at the last preceding regular school election, whichever
35 is greater.

LSB 1719XS (1) 86

-1-

aw/sc

1/4



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 69

1 c. A person appointed to fill a vacancy in an appointive
2 office shall hold such office for the residue of the unexpired
3 term and until a successor is appointed and qualified. Any
4 person so appointed shall qualify within ten days thereafter in
5 the manner required by section 277.28.

6 2. A vacancy shall be filled at the next regular school
7 election if a member of a school board resigns from the board
8 not later than forty-five days before the election and the
9 notice of resignation specifies an effective date at the
10 beginning of the next term of office for elective school
11 officials. The president of the board shall declare the office
12 vacant as of the date of the next organizational meeting.

13 Nomination papers shall be received for the unexpired term of
14 the resigning member. The person elected at the next regular
15 school election to fill the vacancy shall take office at the
16 same time and place as the other elected school board members.

17 Sec. 2. Section 279.7, subsection 1, Code 2015, is amended
18 to read as follows:

19 1. If a vacancy or vacancies occur among the elective
20 officers or members of a school board and the remaining
21 members of the board have not filled the vacancy within thirty
22 days after the vacancy becomes known by the secretary or the
23 board or if a valid petition is submitted to the secretary
24 of the board pursuant to section 279.6, subsection 1, or
25 when the board is reduced below a quorum, the secretary of
26 the board, or if there is no secretary, the area education
27 agency administrator, shall call a special election in the
28 district, subdistrict, or subdistricts, as the case may be,
29 to fill the vacancy or vacancies. The county commissioner of
30 elections shall publish the notices required by law for special
31 elections, and the election shall be held not sooner than
32 thirty days nor later than forty days after the thirtieth day
33 following the day the vacancy becomes known by the secretary or
34 the board. If the secretary fails for more than three days to
35 call an election, the administrator shall call it.

LSB 1719XS (1) 86

-2-

aw/sc

2/4



**Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015**

S.F. 69

EXPLANATION

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The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

4 This bill relates to the filling of school district board
5 vacancies.

6 The bill maintains current law for the filling of a vacancy
7 that occurs not later than 45 days before a regular school
8 election. The bill also maintains current law requiring that
9 the school board fill all other vacancies occurring among the
10 officers and members of the school board by appointment.

11 The bill requires that the board publish notice of the intent
12 of the board to fill a vacancy among the members of a school
13 board by appointment, but that the electors of the school
14 district have the right to file a petition requiring that the
15 vacancy be filled by a special election. The bill allows the
16 board to publish the notice in advance of a vacancy if the
17 officer or member of the board submits a resignation that will
18 take effect at a future date. The bill allows the board to
19 make an appointment after the notice is published or after the
20 vacancy occurs, whichever is later. The bill provides that the
21 appointment is considered temporary if a valid petition to call
22 a special election is filed with the secretary of the school
23 board within 14 days after publication of the notice or within
24 14 days after the appointment is made.

25 The bill provides that a valid petition must be signed by
26 at least 100 eligible electors or eligible electors equaling
27 at least 30 percent of the number of voters at the preceding
28 regular school election, whichever is greater.

29 The bill requires that a special election be called by the
30 school board upon the filing of a valid petition. The special
31 election shall be held in accordance with requirements under
32 current law for filling school district board vacancies. If
33 the board is reduced below a quorum, the secretary of the
34 board, or if there is no secretary, the area education agency
35 administrator, shall call a special election in the district,

LSB 1719XS (1) 86

aw/sc

3/4



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 69

1 subdistrict, or subdistricts, as the case may be, to fill the
2 vacancies.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 70 - Introduced

SENATE FILE 70
BY FEENSTRA

A BILL FOR

1 An Act repealing a requirement that taxpayers indicate on their
2 tax returns the presence or absence of health care coverage
3 for their dependent children and apply for certain public
4 health care coverage, and including effective date and
5 retroactive applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1890XS (2) 86
av/sc

**Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015**

S.F. 70

1 Section 1. REPEAL. Section 422.12M, Code 2015, is repealed.

2 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
3 immediate importance, takes effect upon enactment.

4 Sec. 3. RETROACTIVE APPLICABILITY. This Act applies
5 retroactively to January 1, 2015, for tax years beginning on
6 or after that date.

EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill repeals Code section 422.12M, which requires
11 taxpayers to indicate on their tax returns the presence or
12 absence of health care coverage for their dependent children
13 and to apply for Medicaid or the hawk-i program if they meet
14 certain income eligibility standards. The bill is effective
15 upon enactment and applies retroactively to January 1, 2015,
16 for tax years beginning on or after that date.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 71 - Introduced

SENATE FILE 71
BY FEENSTRA

A BILL FOR

1 An Act concerning requirements for state purchasing from prison
2 industries.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1692XS (2) 86
ec/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 71

1 Section 1. Section 8A.302, subsection 1, Code 2015, is
2 amended to read as follows:

3 1. Providing a system of uniform standards and
4 specifications for purchasing. When the system is developed,
5 all items of general use shall be purchased by state agencies
6 through the department, except ~~items provided for under~~
7 ~~section 904.808~~ or items used by the state board of regents
8 and institutions under the control of the state board of
9 regents. However, the department may authorize the department
10 of transportation, the department for the blind, and any other
11 agencies otherwise exempted by law from centralized purchasing,
12 to directly purchase items used by those agencies without going
13 through the department, if the department of administrative
14 services determines such purchasing is in the best interests
15 of the state. However, items of general use may be purchased
16 through the department by any governmental entity.

17 Sec. 2. Section 904.807, Code 2015, is amended to read as
18 follows:

19 **904.807 Price lists to ~~public officials~~ — Iowa state**
20 **industries.**

21 The state director shall cause to be prepared from time
22 to time classified and itemized price lists of the products
23 manufactured by Iowa state industries. Such lists shall be
24 made available to the public and furnished to all boards of
25 supervisors, boards of directors of school corporations,
26 city councils, and all other state, county, city and school
27 departments and officials empowered to purchase supplies and
28 equipment for public purposes.

29 Sec. 3. Section 904.808, subsection 1, Code 2015, is amended
30 by striking the subsection.

31 Sec. 4. REPEAL. Section 8A.313, Code 2015, is repealed.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 This bill concerns the purchase of products manufactured by

LSB 1692XS (2) 86

-1-

ec/nh

1/2



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 71

1 Iowa state (prison) industries by state agencies.

2 Code section 8A.302, concerning state government purchasing,
3 is amended to eliminate the exception from the requirements for
4 state agency purchasing of items of general use through the
5 department of administrative services for items produced by
6 prison industries.

7 Code section 904.807, concerning the preparation of price
8 lists for items produced by prison industries, is amended to
9 provide that the price lists shall be made available to the
10 public.

11 Code section 904.808, subsection 1, establishing state
12 purchasing requirements relative to items produced by prison
13 industries, is stricken. Code section 8A.313, providing
14 an appeal process relative to disputes arising out of the
15 purchasing provisions of Code section 904.808, is also
16 repealed. Code section 904.808 provides that state agencies
17 are required to purchase items produced by prison industries
18 unless a purchase from another source is made under emergency
19 circumstances or if prison industries is unable to meet the
20 performance characteristics of the purchase request for the
21 product by the state agency.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 72 - Introduced

SENATE FILE 72
BY ZAUN

A BILL FOR

1 An Act relating to statements of refund value on beverage
2 containers for wine.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1802XS (2) 86
tr/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 72

1 Section 1. Section 455C.5, subsection 2, Code 2015, is
2 amended by adding the following new paragraph:
3 NEW PARAGRAPH. d. The beverage container contains wine as
4 defined in section 123.3.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with
7 the explanation's substance by the members of the general assembly.

8 This bill provides that beverage containers containing wine
9 are not required to have the beverage container refund value
10 affixed to the container.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate File 73 - Introduced

SENATE FILE 73
BY JOHNSON

A BILL FOR

- 1 An Act abolishing county compensation boards.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1606XS (1) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 73

1 Section 1. Section 331.212, subsection 2, Code 2015, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *i.* Setting the compensation schedule of the
4 elected county officers.

5 Sec. 2. Section 331.321, subsection 1, paragraph 1, Code
6 2015, is amended by striking the paragraph.

7 Sec. 3. Section 331.322, subsection 6, Code 2015, is amended
8 to read as follows:

9 6. Review Annually prepare and review the final
10 ~~compensation schedule of the county compensation board and~~
11 ~~determine the final compensation schedule~~ in accordance with
12 section 331.907.

13 Sec. 4. Section 331.322, subsection 7, Code 2015, is amended
14 by striking the subsection.

15 Sec. 5. Section 331.323, subsection 1, paragraph e, Code
16 2015, is amended to read as follows:

17 *e.* ~~When~~ If the duties of an officer or employee are assigned
18 to one or more elected officers, the board shall set the an
19 initial salary for each elected officer. ~~Thereafter, the~~
20 ~~salary and, thereafter, shall be determined~~ determine the
21 salary as provided in section 331.907.

22 Sec. 6. Section 331.907, subsections 1, 2, 3, and 4, Code
23 2015, are amended to read as follows:

24 1. The annual compensation of the auditor, treasurer,
25 recorder, sheriff, county attorney, and supervisors shall
26 be determined as provided in this section. The ~~county~~
27 ~~compensation~~ board annually shall review the compensation
28 paid to comparable officers in other counties of this state,
29 other states, private enterprise, and the federal government.
30 In setting the salary of the county sheriff, the ~~county~~
31 ~~compensation~~ board shall consider setting the sheriff's salary
32 so that it is comparable to salaries paid to professional
33 law enforcement administrators and command officers of the
34 state patrol, the division of criminal investigation of the
35 department of public safety, and city police agencies in

LSB 1606XS (1) 86

-1-

aw/sc

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 73

1 this state. The ~~county compensation~~ board shall prepare a
2 compensation schedule for the elective county officers for the
3 succeeding fiscal year. ~~A recommended compensation schedule~~
4 ~~requires a majority vote of the membership of the county~~
5 ~~compensation board.~~

6 2. At the public hearing held on the county budget as
7 provided in section 331.434, the ~~county compensation~~ board
8 shall submit its ~~recommended~~ compensation schedule for the
9 next fiscal year ~~to the board of supervisors~~ for inclusion
10 in the county budget. ~~The board of supervisors shall review~~
11 ~~the recommended compensation schedule for the elected county~~
12 ~~officers and determine the final compensation schedule which~~
13 ~~shall not exceed the compensation schedule recommended by~~
14 ~~the county compensation board. In determining the final~~
15 ~~compensation schedule if the board of supervisors wishes to~~
16 ~~reduce the amount of the recommended compensation schedule,~~
17 ~~the amount of salary increase proposed for each elected~~
18 ~~county officer, except as provided in subsection 3, shall be~~
19 ~~reduced an equal percentage. A copy of the final compensation~~
20 ~~schedule shall be filed with the county budget at the office~~
21 ~~of the director of the department of management. The final~~
22 ~~compensation schedule takes effect on July 1 following its~~
23 ~~adoption by the board of supervisors.~~

24 3. The board ~~of supervisors~~ may adopt a decrease in
25 compensation paid to supervisors irrespective of ~~the county~~
26 ~~compensation board's recommended compensation schedule or other~~
27 approved changes in compensation paid to other elected county
28 officers. A decrease in compensation paid to supervisors shall
29 be adopted by the board ~~of supervisors~~ no less than thirty days
30 before the county budget is certified under section 24.17.

31 4. The elected county officers are also entitled to receive
32 their actual and necessary expenses incurred in performance
33 of official duties of their respective offices. The board ~~of~~
34 ~~supervisors~~ may authorize the reimbursement of expenses related
35 to an educational course, seminar, or school which is attended

LSB 1606XS (1) 86

-2-

aw/sc

2/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. 73

1 by a county officer after the county officer is elected, but
2 prior to the county officer taking office.

3 Sec. 7. REPEAL. Section 331.905, Code 2015, is repealed.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill provides for the abolition of county compensation
8 boards and transfers to the board of supervisors the duty of
9 setting the compensation schedule for elective county officers.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate Study Bill 1083 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
REVENUE BILL)

A BILL FOR

1 An Act relating to the administration of the streamlined sales
2 and use tax agreement by the department of revenue.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1312XD (6) 86
mm/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 Section 1. Section 423.3, subsection 57, paragraph f,
2 subparagraph (3), Code 2015, is amended by adding the following
3 new subparagraph division:

4 NEW SUBPARAGRAPH DIVISION. (e) Food sold that ordinarily
5 requires additional cooking by the consumer prior to
6 consumption.

7 Sec. 2. Section 423.52, Code 2015, is amended by adding the
8 following new subsection:

9 NEW SUBSECTION. 3. a. Sellers and certified service
10 providers are relieved from liability to this state or its
11 local taxing jurisdictions for having charged and collected
12 the incorrect amount of sales or use tax resulting from the
13 seller or certified service provider relying on erroneous data
14 provided in the state's taxability matrix.

15 b. Sellers and certified service providers that rely
16 upon a prior version of the state's taxability matrix shall
17 be relieved of liability to the state and its local taxing
18 jurisdictions until the first day of the calendar month that
19 is at least 30 days after notice of a change to the taxability
20 matrix is submitted by the state to the governing board.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 This bill relates to the administration of the sales and
25 use taxes under the streamlined sales and use tax agreement
26 (agreement).

27 Iowa is a member of the agreement, which is an effort to
28 administer state sales and use taxes in all participating
29 states according to the same simplified system. Under
30 the agreement, Iowa must periodically make changes in the
31 administration of the sales and use taxes in order to remain
32 in compliance.

33 Under current law, prepared food is subject to the sales and
34 use tax. The bill amends the definition of "prepared food" to
35 exclude food that ordinarily requires additional cooking by the

LSB 1312XD (6) 86

-1-

mm/sc

1/2



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 consumer prior to consumption.

2 The bill also provides liability relief to sellers and
3 certified service providers that rely on erroneous or outdated
4 information in the state's taxability matrix. A taxability
5 matrix is a comprehensive list of items subject to and exempt
6 from the sales and use tax that is required to be maintained by
7 each member state of the agreement. The bill provides that if
8 Iowa amends an existing provision of its taxability matrix, a
9 seller or certified service provider is relieved from liability
10 to the state and its local taxing jurisdictions for having
11 charged and collected the incorrect amount of sales or use tax
12 according to the prior version of the taxability matrix. The
13 liability relief extends until the first day of the calendar
14 month that is at least 30 days after the state submits to the
15 governing board of the agreement the notice of change to the
16 taxability matrix.

17 The bill also provides that sellers and certified service
18 providers are relieved from liability to the state or its local
19 taxing jurisdictions for having charged and collected the
20 incorrect amount of sales or use tax after relying on erroneous
21 data provided in the state's taxability matrix.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate Study Bill 1084 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON TAYLOR)

A BILL FOR

- 1 An Act related to the compensation of elective county officers.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 1650XC (4) 86
aw/sc



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____

1 Section 1. Section 331.324, subsection 1, paragraph m, Code
2 2015, is amended to read as follows:

3 m. (1) Provide a deferred compensation program for any
4 employee, in accordance with section 509A.12.

5 (2) The board shall annually adopt by resolution a limit
6 on the amount of money that is not matched by the county that
7 an elective county officer may contribute to the deferred
8 compensation program during the calendar year next following
9 adoption of the resolution. Before adopting the resolution,
10 the board shall consider the recommended limit prepared by
11 the county compensation board pursuant to section 331.907,
12 subsection 1, paragraph "b".

13 Sec. 2. Section 331.401, Code 2015, is amended by adding the
14 following new subsections:

15 NEW SUBSECTION. 4. The board shall not approve for payment
16 a separation allowance or severance pay or compensation in
17 any form that is based upon length of service to the auditor,
18 treasurer, recorder, sheriff, or county attorney or to a
19 supervisor.

20 NEW SUBSECTION. 5. The board shall not approve combining
21 and paying in the aggregate any compensation, other than annual
22 salary, to the auditor, treasurer, recorder, sheriff, or county
23 attorney or to a supervisor.

24 Sec. 3. Section 331.434, subsection 5, Code 2015, is amended
25 to read as follows:

26 5. a. After the hearing, the board shall adopt by
27 resolution a budget and certificate of taxes for the next
28 fiscal year and shall direct the auditor to properly certify
29 and file the budget and certificate of taxes as adopted.
30 The board shall not adopt a tax in excess of the estimate
31 published, except a tax which is approved by a vote of the
32 people, and a greater tax than that adopted shall not be levied
33 or collected. A county budget and certificate of taxes adopted
34 for the following fiscal year becomes effective on the first
35 day of that year.

LSB 1650XC (4) 86

-1-

aw/sc

1/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____

1 b. If the budget to be approved pursuant to paragraph "a"
2 contains an increase in compensation from the county budget for
3 the prior fiscal year for one or more elective county offices,
4 the board shall first adopt a separate resolution to approve
5 the increase for inclusion in the budget.

6 Sec. 4. Section 331.907, subsection 1, Code 2015, is amended
7 to read as follows:

8 1. a. The annual compensation of the auditor, treasurer,
9 recorder, sheriff, county attorney, and supervisors shall
10 be determined as provided in this section. The county
11 compensation board annually shall review the compensation
12 paid to comparable officers in other counties of this state,
13 other states, private enterprise, and the federal government.
14 In setting the salary of the county sheriff, the county
15 compensation board shall consider setting the sheriff's salary
16 so that it is comparable to salaries paid to professional
17 law enforcement administrators and command officers of the
18 state patrol, the division of criminal investigation of the
19 department of public safety, and city police agencies in this
20 state.

21 b. The county compensation board shall annually prepare
22 a recommended compensation schedule for the elective county
23 officers for the succeeding fiscal year. A recommended
24 compensation schedule requires a majority vote of the
25 membership of the county compensation board. The county
26 compensation board shall also annually prepare a recommended
27 limit on the amount of money that is not matched by the
28 county that an elective county officer may contribute to the
29 deferred contribution program provided pursuant to section
30 331.324, subsection 1, paragraph "m", during the next following
31 calendar year for inclusion in the recommended compensation
32 schedule. Adoption of a recommended compensation schedule
33 and a recommended limit under this paragraph require separate
34 majority votes of the membership of the county compensation
35 board.

LSB 1650XC (4) 86

-2-

aw/sc

2/3



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____

1 EXPLANATION

2 The inclusion of this explanation does not constitute agreement with
3 the explanation's substance by the members of the general assembly.

4 This bill relates to the compensation of elective county
5 officers.

6 The bill requires that the county compensation board
7 annually prepare a recommended limit on the amount of money
8 not matched by the county that an elective county officer
9 may contribute to the county's deferred compensation program
10 during the following calendar year for inclusion in the county
11 compensation board's recommended compensation schedule. The
12 recommended limit is required to be approved by a separate
13 majority vote of the county compensation board. The bill also
14 requires that the county board of supervisors annually adopt a
15 resolution to set a contribution limit.

16 The bill also prohibits the board of supervisors from
17 approving payment of a separation allowance or severance pay
18 or compensation in any form that is based upon length of
19 service to the auditor, treasurer, recorder, sheriff, or county
20 attorney or to a supervisor. The bill further prohibits the
21 board of supervisors from approving combining and paying in the
22 aggregate any compensation, other than annual salary, to the
23 auditor, treasurer, recorder, sheriff, or county attorney or to
24 a supervisor.

25 The bill also requires that the board of supervisors adopt a
26 separate resolution if the board seeks to approve for inclusion
27 in the county budget an increase in compensation for one or
28 more elective county offices when compared to the prior fiscal
29 year.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate Study Bill 1085 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON PETERSEN)

A BILL FOR

1 An Act expanding the definition of a public utility for
2 purposes of provisions governing public utility crossings
3 of railroad rights-of-way, and including effective date and
4 retroactive applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1407XC (3) 86
rn/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____

1 Section 1. Section 476.27, subsection 1, Code 2015, is
2 amended by adding the following new paragraph:
3 NEW PARAGRAPH. *Od.* *"Electric transmission owner"* means
4 an individual or entity who owns and maintains electric
5 transmission facilities including transmission lines, wires, or
6 cables that are capable of operating at an electric voltage of
7 thirty-four and one-half kilovolts or greater.

8 Sec. 2. Section 476.27, subsection 1, paragraph e, Code
9 2015, is amended to read as follows:

10 *e.* *"Public utility"* means a public utility as defined
11 in section 476.1, except that, for purposes of this section,
12 *"public utility"* also includes all mutual telephone companies,
13 municipally owned facilities, unincorporated villages,
14 waterworks, municipally owned waterworks, joint water
15 utilities, rural water districts incorporated under chapter
16 357A or 504, cooperative water associations, franchise cable
17 television operators, ~~and~~ persons furnishing electricity
18 to five or fewer persons, and electric transmission owners
19 primarily providing service to public utilities as defined in
20 section 476.1.

21 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
22 immediate importance, takes effect upon enactment.

23 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
24 retroactively to July 1, 2001.

25 EXPLANATION

26 The inclusion of this explanation does not constitute agreement with
27 the explanation's substance by the members of the general assembly.

28 This bill expands the definition of "public utility" for
29 purposes of provisions governing public utility crossings of
30 railroad rights-of-way to include electric transmission owners
31 primarily providing service to public utilities as defined in
32 Code section 476.1. The bill defines an "electric transmission
33 owner" to mean an individual or entity who owns and maintains
34 electric transmission facilities including transmission lines,
35 wires, or cables that are capable of operating at an electric

LSB 1407XC (3) 86

-1-

rn/nh

1/2



S.F. _____

1 voltage of 34.5 kilovolts or greater.

2 Provisions governing public utility crossings of railroad
3 rights-of-way, which shall now encompass electronic
4 transmission owners, include rules adopted by the Iowa
5 utilities board in consultation with the department of
6 transportation addressing notification required prior to the
7 commencement of any crossing activity, a requirement that the
8 railroad and the public utility each maintain and repair the
9 person's own property within the railroad right-of-way and bear
10 responsibility for each person's own acts and omissions, the
11 amount and scope of insurance or self-insurance required to
12 cover risks associated with a crossing, a procedure to address
13 the payment of costs associated with the relocation of public
14 utility facilities within the railroad right-of-way necessary
15 to accommodate railroad operations, terms and conditions for
16 securing the payment of any damages by the public utility
17 before it proceeds with a crossing, access to a crossing for
18 repair and maintenance of existing facilities in case of
19 emergency, and engineering standards for utility facilities
20 crossing railroad rights-of-way.

21 Additionally, unless otherwise agreed by the parties or
22 regarded as a special circumstance entitled to relief, a
23 public utility that locates its facilities within a railroad
24 right-of-way for a crossing, other than a crossing along the
25 public roads of the state pursuant to Code chapter 477, shall
26 pay a railroad a one-time standard crossing fee of \$750 in
27 lieu of any license or other fees or charges to reimburse the
28 railroad for the direct expenses incurred by the railroad as a
29 result of the crossing.

30 The bill takes effect upon enactment and applies
31 retroactively to July 1, 2001.



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

Senate Study Bill 1086 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
COMMERCE/INSURANCE DIVISION
BILL)

A BILL FOR

1 An Act relating to various matters involving insurance and
2 the insurance division of the department of commerce and
3 including effective date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSE 1287XD (11) 86
av/nh



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 Section 1. Section 22.7, subsection 58, Code 2015, is
2 amended to read as follows:

3 58. Information filed with the commissioner of insurance
4 pursuant to sections 523A.204 and, 523A.205, 523A.206,
5 523A.207, 523A.401, 523A.502A, and 523A.803.

6 Sec. 2. Section 502.103, Code 2015, is amended to read as
7 follows:

8 **502.103 References to federal statutes.**

9 "*Securities Act of 1933*", 15 U.S.C. §77a et seq.; "*Securities*
10 *Exchange Act of 1934*", 15 U.S.C. §78a et seq.; "*Public Utility*
11 *Holding Company Act of 1935*", 15 U.S.C. §79 et seq.; "*Investment*
12 *Company Act of 1940*", 15 U.S.C. §80a-1 et seq.; "*Investment*
13 *Advisers Act of 1940*", 15 U.S.C. §80b-1 et seq.; "*Employee*
14 *Retirement Income Security Act of 1974*", 29 U.S.C. §1001 et
15 seq.; "*National Housing Act*", 12 U.S.C. §1701; "*Commodity*
16 *Exchange Act*", 7 U.S.C. §1 et seq.; "*Internal Revenue Code*",
17 26 U.S.C. §1 et seq.; "*Securities Investor Protection Act*
18 *of 1970*", 15 U.S.C. §78aaa et seq.; "*Securities Litigation*
19 *Uniform Standards Act of 1998*", 112 Stat. 3227; "*Small Business*
20 *Investment Act of 1958*", 15 U.S.C. §661 et seq.; and "*Electronic*
21 *Signatures in Global and National Commerce Act*", 15 U.S.C.
22 §7001 et seq.; and "*Dodd-Frank Wall Street Reform and Consumer*
23 *Protection Act*", Pub. L. No. 111-203 mean those federal statutes
24 and the rules and regulations adopted under those federal
25 statutes, as in effect on January 1, ~~2005~~ 2015.

26 Sec. 3. Section 502.202, Code 2015, is amended by adding the
27 following new subsection:

28 NEW SUBSECTION. 24. *Intrastate crowdfunding.*

29 a. *Definitions.* As used in this subsection, unless the
30 context otherwise requires:

31 (1) "*Intermediary*" means a broker-dealer that is subject
32 to the registration requirements of section 502.401 and that
33 facilitates the offer and sale of securities by issuers to
34 investors through an internet-based system that is open to
35 and accessible by the general public. If an intermediary's

LSB 1287XD (11) 86

-1-

av/nh

1/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 activity as a broker-dealer is limited to offerings conducted
2 in accordance with the exemption in this subsection, the
3 administrator shall by rule list the specific broker-dealer
4 requirements with which the intermediary must comply.

5 (2) "*Intrastate crowdfunding*" means the offer or sale of a
6 security by an issuer in a transaction that is available for
7 purchase only by Iowa residents and by business organizations
8 located in, and organized and registered under the laws of,
9 this state.

10 *b. Exemption not available.* The exemption in this
11 subsection is not available to any of the following:

12 (1) A foreign issuer.

13 (2) An investment company, as defined in section 3 of the
14 federal Investment Company Act of 1940.

15 (3) A development stage company that either has no specific
16 business plan or purpose or has indicated that the company's
17 business plan is to engage in a merger or acquisition with an
18 unidentified company or companies, or other entity or person.

19 (4) A company with a class of securities registered under
20 the federal Securities Exchange Act of 1934.

21 (5) Any person who is subject to a disqualifying event as
22 described in the regulations adopted in accordance with section
23 926 of the federal Dodd-Frank Wall Street Reform and Consumer
24 Protection Act, Pub. L. No. 111-203, or in rules adopted by the
25 administrator pursuant to chapter 17A.

26 *c. Aggregate sales limit.* The aggregate amount of
27 securities sold to all investors by the issuer during the
28 twelve-month period preceding the date of the offer or sale,
29 including any amount sold in reliance upon the exemption in
30 this subsection, shall not exceed one million dollars other
31 than either of the following:

32 (1) Securities sold to Iowa resident institutional
33 investors.

34 (2) Securities sold to the Iowa resident issuer's
35 management.

LSB 1287XD (11) 86
av/nh

2/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 *d. Individual sales limit.* The aggregate amount of
2 securities sold to an investor by the issuer during the
3 twelve-month period preceding the date of the offer or sale,
4 including any amount sold in reliance upon the exemption in
5 this subsection, shall not exceed five thousand dollars unless
6 the investor is an accredited investor who resides in Iowa.
7 For purposes of this individual sales limit, the following
8 investors shall be treated as one investor:

9 (1) A relative, spouse, or relative of the spouse of an
10 investor who has the same principal residence as the investor.

11 (2) A trust or estate in which an investor and any related
12 person collectively have more than fifty percent of the
13 beneficial interest, excluding contingent interests.

14 (3) A corporation or other organization of which an investor
15 and any related person collectively are beneficial owners of
16 more than fifty percent of the equity securities, excluding
17 directors' qualifying shares, or equity interests.

18 *e. Use of an intermediary.* All offers and sales of
19 securities made in reliance upon the exemption in this
20 subsection shall be made through an intermediary's internet
21 site.

22 *f. Notice to administrator.* Prior to the offer of any
23 security in this state made in reliance upon the exemption
24 in this subsection, the issuer shall file a notice with
25 the administrator in a form and format approved by the
26 administrator, and including the filing fee specified by rule,
27 if any.

28 *g. Rulemaking.* The administrator shall adopt all rules
29 necessary to implement the exemption in this subsection
30 including but not limited to all of the following:

31 (1) Mandatory disclosures.

32 (2) Restrictions on advertising and communications.

33 (3) Target amount, offering period, and escrow
34 requirements.

35 (4) Use and compensation of promoters.

LSB 1287XD (11) 86
av/nh

3/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 (5) Restrictions on the sale of securities purchased under
2 the exemption in this subsection.

3 (6) Sales reports.

4 (7) Limitations on the offering price.

5 (8) Duties of an intermediary which shall include providing
6 the administrator with continuous investor-level access to the
7 intermediary's internet site.

8 (9) Records maintenance.

9 (10) Duties and registration requirements for internet site
10 operators.

11 Sec. 4. Section 502.302, subsection 1, paragraph a,
12 subparagraph (1), Code 2015, is amended to read as follows:

13 (1) A person who is the issuer of a federal covered
14 security under section 18(b)(2) of the Securities Act of
15 1933 shall initially make a notice filing and annually renew
16 a notice filing in this state ~~for an indefinite amount or a~~
17 ~~fixed amount. The fixed amount must be for two hundred fifty~~
18 ~~thousand dollars.~~

19 Sec. 5. Section 502.302, subsection 1, paragraph a,
20 subparagraph (2), unnumbered paragraph 1, Code 2015, is amended
21 to read as follows:

22 A notice filer shall pay a filing fee in the amount of
23 five hundred dollars when the notice is filed. ~~If the amount~~
24 ~~covered by the notice is indefinite, the notice filer shall pay~~
25 ~~a filing fee of one thousand dollars. If the amount covered by~~
26 ~~the notice is fixed, the notice filer shall pay a filing fee~~
27 ~~of two hundred fifty dollars, and all of the following shall~~
28 ~~apply:~~

29 Sec. 6. Section 502.302, subsection 1, paragraph a,
30 subparagraph (2), subparagraph divisions (a) and (b), Code
31 2015, are amended by striking the subparagraph divisions.

32 Sec. 7. Section 502.302, subsections 2 and 3, Code 2015, are
33 amended to read as follows:

34 2. *Notice filing effectiveness and renewal.* A notice filing
35 under subsection 1 is effective for one year commencing on

LSB 1287XD (11) 86

-4-

av/nh

4/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 the later of the notice filing or the effectiveness of the
2 offering filed with the securities and exchange commission.
3 On or before expiration, the issuer may renew a notice filing
4 by filing a copy of those records filed by the issuer with
5 the securities and exchange commission that are required by
6 rule or order under this chapter to be filed and by paying
7 ~~the a~~ renewal fee ~~required by subsection 1, paragraph "a" of~~
8 five hundred dollars. A previously filed consent to service
9 of process complying with section 502.611 may be incorporated
10 by reference in a renewal. A renewed notice filing becomes
11 effective upon the expiration of the filing being renewed.

12 3. *Notice filings for federal covered securities under*
13 *section 18(b)(4)(D).* With respect to a security that is a
14 federal covered security under section 18(b)(4)(D) of the
15 Securities Act of 1933, 15 U.S.C. §77r(b)(4)(D), a rule under
16 this chapter may require a notice filing by or on behalf of an
17 issuer to include a copy of form D, including the appendix,
18 as promulgated by the securities and exchange commission,
19 and a consent to service of process complying with section
20 502.611 signed by the issuer not later than fifteen days after
21 the first sale of the federal covered security in this state
22 and the payment of a fee of ~~one~~ two hundred dollars; and the
23 payment of a fee of two hundred fifty dollars for any late
24 filing.

25 Sec. 8. Section 502.412, subsection 9, Code 2015, is amended
26 to read as follows:

27 9. *Limit on investigation or proceeding.* The administrator
28 shall not institute a proceeding under subsection 1, 2,
29 or 3 based solely on material facts actually known by the
30 administrator unless an investigation or the proceeding is
31 instituted within ~~one year~~ two years after the administrator
32 actually acquires knowledge of the material facts.

33 Sec. 9. Section 511.8, subsection 5, paragraphs a and b,
34 Code 2015, are amended to read as follows:

35 a. (1) If fixed interest-bearing obligations, the net

LSB 1287XD (11) 86

-5-

av/nh

5/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 earnings of the issuing, assuming, or guaranteeing corporation
2 available for its fixed charges for a period of five fiscal
3 years next preceding the date of acquisition of the obligations
4 by such insurance company shall have averaged per year not
5 less than one and one-half times such average annual fixed
6 charges of the issuing, assuming, or guaranteeing corporation
7 applicable to such period, and, during at least one of the last
8 two years of such period, its net earnings shall have been
9 not less than one and one-half times its fixed charges for
10 such year; or if, at the date of acquisition, the obligations
11 are ~~adequately secured and have investment qualities and~~
12 ~~characteristics wherein the speculative elements are not~~
13 predominant investment grade as defined by the commissioner by
14 rule.

15 (2) However, with respect to fixed interest-bearing
16 obligations which are issued, assumed, or guaranteed by a
17 financial company, the net earnings by the financial company
18 available for its fixed charges for the period of five fiscal
19 years preceding the date of acquisition of the obligations by
20 the insurance company shall have averaged per year not less
21 than one and one-fourth times such average annual fixed charges
22 of the issuing, assuming, or guaranteeing financial company
23 applicable to such period, and, during at least one of the last
24 two years of the period, its net earnings shall have been not
25 less than one and one-fourth times its fixed charges for such
26 year; or if, at the date of acquisition, the obligations are
27 ~~adequately secured and speculative elements are not predominant~~
28 ~~in their investment qualities and characteristics~~ investment
29 grade as defined by the commissioner by rule. As used in
30 this subparagraph (2), "*financial company*" means a corporation
31 which on the average over its last five fiscal years preceding
32 the date of acquisition of its obligations by the insurer,
33 has had at least fifty percent of its net income, including
34 income derived from subsidiaries, derived from the business
35 of wholesale, retail, installment, mortgage, commercial,

LSB 1287XD (11) 86
av/nh

6/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 industrial or consumer financing, or from banking or factoring,
2 or from similar or related lines of business.

3 b. If adjustment, income, or other contingent interest
4 obligations, the net earnings of the issuing, assuming, or
5 guaranteeing corporation available for its fixed charges
6 for a period of five fiscal years next preceding the date
7 of acquisition of the obligations by such insurance company
8 shall have averaged per year not less than one and one-half
9 times such average annual fixed charges of the issuing,
10 assuming, or guaranteeing corporation and its average annual
11 maximum contingent interest applicable to such period and,
12 during at least one of the last two years of such period, its
13 net earnings shall have been not less than one and one-half
14 times the sum of its fixed charges and maximum contingent
15 interest for such year, or if, at the date of acquisition,
16 the obligations are ~~adequately secure and have investment~~
17 ~~qualities and characteristics and speculative elements are not~~
18 ~~predominant~~ investment grade as defined by the commissioner by
19 rule.

20 Sec. 10. Section 511.8, subsection 6, paragraph a,
21 subparagraph (1), subparagraph division (b), unnumbered
22 paragraph 1, Code 2015, is amended to read as follows:

23 The net earnings available for fixed charges and preferred
24 dividends of the issuing corporation shall have been, for
25 each of the five fiscal years immediately preceding the date
26 of acquisition, not less than one and one-half times the sum
27 of the annual fixed charges and contingent interest, if any,
28 and the annual preferred dividend requirements as of the date
29 of acquisition; or at the date of acquisition the preferred
30 stock ~~has is~~ investment qualities and characteristics wherein
31 ~~speculative elements are not predominant~~ grade as defined by
32 the commissioner by rule.

33 Sec. 11. Section 511.8, subsection 8, unnumbered paragraph
34 1, Code 2015, is amended to read as follows:

35 Securities included under subsections 5, 6, and 7, and

LSB 1287XD (11) 86

-7-

av/nh

7/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 subsection 9, paragraph `h`, shall not be eligible:

2 Sec. 12. Section 511.8, subsection 8, paragraph b,
3 unnumbered paragraph 1, Code 2015, is amended to read as
4 follows:

5 The investments of any company or association in ~~such the~~
6 securities of a corporation shall not be eligible in excess of
7 exceed the following percentages of the legal reserve of such
8 company or association:

9 Sec. 13. Section 511.8, subsection 8, paragraph b,
10 subparagraphs (1) and (2), Code 2015, are amended to read as
11 follows:

12 (1) ~~With the exception of public securities~~ For any one
13 corporation other than a public utility company, two percent
14 of the legal reserve in the securities of any one corporation.
15 Five For any one public utility company, five percent of the
16 legal reserve in the securities of any one public utility
17 corporation.

18 (2) ~~Seventy-five percent of the legal reserve in the~~
19 securities described in subsection 5 issued by other than
20 public utility corporations. Fifty percent of the legal
21 reserve in the For securities described in subsection 5 issued
22 by public utility corporations companies, fifty percent of the
23 legal reserve.

24 Sec. 14. Section 511.8, subsection 9, Code 2015, is amended
25 by adding the following new paragraph:

26 NEW PARAGRAPH. h. Mezzanine real estate loans subject to
27 the following conditions:

28 (1) The terms of the mezzanine real estate loan agreement
29 shall do all of the following:

30 (a) Require that each pledgor abstain from granting
31 additional security interests in the equity interest pledged.

32 (b) Set forth techniques to minimize the likelihood or
33 impact of a bankruptcy filing on the part of the real estate
34 owner or the mezzanine real estate loan borrower consistent
35 with the national association of insurance commissioners'

LSB 1287XD (11) 86
av/nh

8/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 accounting practices and procedures manual.

2 (c) Require the real estate owner or mezzanine real estate
3 loan borrower to do all of the following:

4 (i) Hold no assets other than, in the case of the real
5 estate owner, the real property, and in the case of the
6 mezzanine real estate loan borrower, the equity interest of the
7 real estate owner.

8 (ii) Not engage in any business other than, in the case
9 of the real estate owner, the ownership and operation of the
10 real estate, and in the case of the mezzanine real estate loan
11 borrower, holding an ownership interest in the real estate
12 owner.

13 (iii) Not incur additional debt, other than limited trade
14 payables, a first mortgage loan, or mezzanine real estate
15 loans.

16 (2) At the time of purchase, the sum of the first mortgage
17 and the mezzanine real estate loans shall not exceed ninety
18 percent of the value of the real estate evidenced by a
19 current appraisal and the mezzanine real estate loan shall be
20 classified as CM4 or better in accordance with the national
21 association of insurance commissioners' rating methodology, or
22 an equivalent or successor rating.

23 (3) The value of a company's or association's total
24 investments qualified under this paragraph "h" shall not exceed
25 three percent of the legal reserve subject to the following
26 conditions:

27 (a) The value of a company's or association's total
28 investments qualified under this paragraph "h" in mezzanine
29 real estate loans classified as CM3 in accordance with the
30 national association of insurance commissioners' rating
31 methodology or an equivalent or successor rating at the time of
32 purchase shall not exceed two percent of the legal reserve.

33 (b) The value of a company's or association's total
34 investments qualified under this paragraph "h" in mezzanine
35 real estate loans classified as CM4 in accordance with the

LSB 1287XD (11) 86
av/nh

9/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 national association of insurance commissioners' rating
2 methodology or an equivalent or successor rating at the time of
3 purchase shall not exceed one percent of the legal reserve.

4 (4) For purposes of this paragraph "h", "mezzanine real
5 estate loan" means a loan secured by a pledge of a direct or
6 indirect equity interest in an entity that owns real estate.

7 Sec. 15. Section 511.8, subsection 13, Code 2015, is amended
8 to read as follows:

9 13. *Collateral loans.* Loans secured by collateral
10 consisting of any ~~securities~~ assets or investments qualified in
11 under this section, provided the amount of the loan is not in
12 excess of ninety percent of the value of the ~~securities~~ assets
13 or investments. Provided further that subsection 8 shall apply
14 to the collateral ~~securities~~ assets or investments pledged
15 to the payment of loans ~~authorized in~~ qualified under this
16 subsection.

17 Sec. 16. Section 511.8, subsection 18, paragraph a, Code
18 2015, is amended to read as follows:

19 a. (1) Common stocks, or shares, or equity interests issued
20 by solvent corporations or institutions are eligible if the
21 total investment in the common stocks, or shares in, or equity
22 interests of the corporations or institutions does not exceed
23 ten percent of legal reserve, provided not more than one-half
24 percent of the legal reserve is invested in common stocks,
25 or shares, or equity interests of any one corporation or
26 institution. However, the not more than four percent of legal
27 reserve shall be invested in common stocks, or shares shall be
28 , or equity interests which do not meet one of the following
29 requirements:

30 (a) Are listed or admitted to trading on an established
31 foreign securities exchange or a securities exchange in the
32 United States or shall be.

33 (b) Are publicly held and traded in the "over-the-counter
34 market" and, provided that market quotations shall be readily
35 available, and further, the investment.

LSB 1287XD (11) 86

-10-

av/nh

10/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 (2) An investment in common stocks, shares, or equity
2 interests shall not create a conflict of interest for an
3 officer or director of the company between the insurance
4 company and the corporation whose common stocks, or ~~or~~ shares, or
5 equity interests are purchased.

6 Sec. 17. Section 511.8, subsection 22, paragraphs c and d,
7 Code 2015, are amended to read as follows:

8 c. Investments in financial instruments used in hedging
9 transactions are not eligible in excess of two percent of
10 the legal reserve in the financial instruments of any one
11 corporation, less any securities of that corporation owned
12 by the company or association and in which its legal reserve
13 is invested, except insofar as the financial instruments are
14 collateralized by cash, United States government obligations
15 as authorized by subsection 1, or obligations of or guaranteed
16 by a United States government-sponsored enterprise which on
17 the date they are pledged as collateral are ~~adequately secured~~
18 ~~and have investment qualities and characteristics wherein the~~
19 ~~speculative elements are not predominant~~ investment grade as
20 defined by the commissioner by rule, which are deposited with a
21 custodian bank as defined in subsection 21, and held under a
22 written agreement with the custodian bank that complies with
23 subsection 21 and provides for the proceeds of the collateral,
24 subject to the terms and conditions of the applicable
25 collateral or other credit support agreement, to be remitted to
26 the legal reserve deposit of the company or association and to
27 vest in the state in accordance with section 508.18 whenever
28 proceedings under that section are instituted.

29 d. Investments in financial instruments used in hedging
30 transactions are not eligible in excess of ten percent of the
31 legal reserve, except insofar as the financial instruments are
32 collateralized by cash, United States government obligations
33 as authorized by subsection 1, or obligations of or guaranteed
34 by a United States government-sponsored enterprise which on
35 the date they are pledged as collateral are ~~adequately secured~~

LSB 1287XD (11) 86

-11-

av/nh

11/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 ~~and have investment qualities and characteristics wherein the~~
2 ~~speculative elements are not predominant investment grade as~~
3 ~~defined by the commissioner by rule, which are deposited with a~~
4 custodian bank as defined in subsection 21, and held under a
5 written agreement with the custodian bank that complies with
6 subsection 21 and provides for the proceeds of the collateral,
7 subject to the terms and conditions of the applicable
8 collateral or other credit support agreement, to be remitted to
9 the legal reserve deposit of the company or association and to
10 vest in the state in accordance with section 508.18 whenever
11 proceedings under that section are instituted.

12 Sec. 18. Section 511.8, subsection 22, paragraph e,
13 subparagraph (1), Code 2015, is amended to read as follows:

14 (1) Investments in financial instruments of foreign
15 governments or foreign corporate obligations, other than
16 Canada, used in hedging transactions shall be included
17 in the limitation contained in subsection 19 that allows
18 only twenty percent of the legal reserve of the company or
19 association to be invested in such foreign investments, except
20 insofar as the financial instruments are collateralized by
21 cash, United States government obligations as authorized by
22 subsection 1, or obligations of or guaranteed by a United
23 States government-sponsored enterprise which on the date
24 they are pledged as collateral are ~~adequately secured and~~
25 ~~have investment qualities and characteristics wherein the~~
26 ~~speculative elements are not predominant investment grade as~~
27 ~~defined by the commissioner by rule, which are deposited with a~~
28 custodian bank as defined in subsection 21, and held under a
29 written agreement with the custodian bank that complies with
30 subsection 21 and provides for the proceeds of the collateral,
31 subject to the terms and conditions of the applicable
32 collateral or other credit support agreement, to be remitted to
33 the legal reserve deposit of the company or association and to
34 vest in the state in accordance with section 508.18 whenever
35 proceedings under that section are instituted.

LSB 1287XD (11) 86

-12-

av/nh

12/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 Sec. 19. Section 514G.102, Code 2015, is amended to read as
2 follows:

3 **514G.102 Scope.**

4 The requirements of this chapter apply to policies delivered
5 or issued for delivery in this state on or after July 1, 2008.
6 The requirements of this chapter related to independent review
7 of benefit trigger determinations apply to all claims made on
8 or after January 1, 2009. The requirements of this chapter
9 related to prompt payment of claims and the payment of interest
10 apply to all long-term care insurance policies. This chapter
11 is not intended to supersede the obligations of entities
12 subject to this chapter to comply with the substance of other
13 applicable insurance laws not in conflict with this chapter,
14 except that laws and regulations designed and intended to apply
15 to Medicare supplement insurance policies shall not be applied
16 to long-term care insurance.

17 Sec. 20. Section 521A.5, subsection 4, paragraph d, Code
18 2015, is amended to read as follows:

19 d. The board of directors of a domestic insurer shall
20 establish one or more committees comprised solely of directors
21 who or other persons appointed by the board, the majority of
22 whom are not officers or employees of the insurer or of any
23 entity controlling, controlled by, or under common control with
24 the insurer and who are not beneficial owners of a controlling
25 interest in the voting stock of the insurer or any such entity.
26 The committee or committees shall have responsibility for
27 recommending or nominating candidates for director for election
28 by shareholders or policyholders, evaluating the performance
29 of officers deemed to be principal officers of the insurer,
30 and recommending to the board of directors the selection and
31 compensation of the principal officers.

32 Sec. 21. Section 523A.102, subsection 8, Code 2015, is
33 amended by striking the subsection.

34 Sec. 22. Section 523A.102, Code 2015, is amended by adding
35 the following new subsection:

LSB 1287XD (11) 86

-13-

av/nh

13/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 NEW SUBSECTION. 13A. "*Guaranteed*" means that the
2 preneed seller has agreed to accept the funds available from
3 contractual payments made by the purchaser and the allocable
4 portion of accumulated income as payment in full for the
5 applicable items of merchandise and services selected and
6 identified in the purchase agreement, and that the purchaser,
7 beneficiary, and the beneficiary's estate are not obligated to
8 pay any additional costs related to updated charges for price
9 increases on the merchandise and services selected even if the
10 additional costs exceed the funds available from contractual
11 payments made by the purchaser and the allocable portion of
12 accumulated income.

13 Sec. 23. Section 523A.204, subsection 3, Code 2015, is
14 amended to read as follows:

15 3. All records maintained by the commissioner under this
16 section shall be confidential pursuant to section 22.7,
17 subsection 58, and shall not be made available for inspection
18 or copying except upon the approval of the commissioner or the
19 attorney general, or except when sought by the preneed seller
20 to whom the records relate. Such records shall be privileged
21 and confidential in any judicial or administrative proceeding
22 except any of the following:

23 a. An action commenced by the commissioner.

24 b. An administrative proceeding brought by the insurance
25 division.

26 c. An action or proceeding which arises out of the criminal
27 provisions of the laws of this state or of the United States.

28 d. An action brought by the insurance division or
29 the attorney general to recover moneys for embezzlement,
30 misappropriation, or misuse of trust funds.

31 Sec. 24. Section 523A.204, subsections 4 and 5, Code 2015,
32 are amended by striking the subsections.

33 Sec. 25. Section 523A.205, subsection 2, Code 2015, is
34 amended by striking the subsection.

35 Sec. 26. Section 523A.205, subsection 3, Code 2015, is

LSB 1287XD (11) 86

-14-

av/nh

14/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 amended to read as follows:

2 3. ~~Notwithstanding chapter 22, all~~ All records maintained
3 by the commissioner under this section shall be confidential
4 pursuant to section 22.7, subsection 58, and shall not be made
5 available for inspection or copying except upon approval of the
6 commissioner or the attorney general, or except when sought by
7 the financial institution to whom the records relate. Such
8 records shall be privileged and confidential in any judicial or
9 administrative proceeding except any of the following:

10 a. An action commenced by the commissioner.

11 b. An administrative proceeding brought by the insurance
12 division.

13 c. An action or proceeding which arises out of the criminal
14 provisions of the laws of this state or of the United States.

15 d. An action brought by the insurance division or
16 the attorney general to recover moneys for embezzlement,
17 misappropriation, or misuse of trust funds.

18 Sec. 27. Section 523A.206, subsection 6, Code 2015, is
19 amended by striking the subsection and inserting in lieu
20 thereof the following:

21 6. All records maintained by the commissioner under this
22 section, including work papers, notes, recorded information,
23 documents, and copies thereof that are produced or obtained
24 by or disclosed to the commissioner or another person in the
25 course of a compliance examination, shall be confidential
26 pursuant to section 22.7, subsection 58, and shall not be
27 made available for inspection and copying except upon the
28 approval of the commissioner or the attorney general. Such
29 records shall be privileged and confidential in any judicial or
30 administrative proceeding except any of the following:

31 a. An action commenced by the commissioner.

32 b. An administrative proceeding brought by the insurance
33 division.

34 c. An action or proceeding which arises out of the criminal
35 provisions of the laws of this state or of the United States.

LSB 1287XD (11) 86

-15-

av/nh

15/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 *d.* An action brought by the insurance division or
2 the attorney general to recover moneys for embezzlement,
3 misappropriation, or misuse of trust funds.
4 Sec. 28. Section 523A.207, Code 2015, is amended to read as
5 follows:

6 **523A.207 Audits by certified public accountants — penalty.**

7 1. A purchase agreement shall not be sold or transferred,
8 as part of the sale of a business or the assets of a business,
9 until an audit has been performed by a certified public
10 accountant and filed with the commissioner that expresses the
11 auditor's opinion of the adequacy of funding related to the
12 purchase agreements to be sold or transferred. If the buyer
13 of a purchase agreement sold or transferred as part of the
14 sale of a business or the assets of a business, fails to file
15 such an audit, the commissioner shall suspend the preneed
16 seller's license of the buyer and the preneed sales license of
17 any sales agent in the employ of the buyer until the audit is
18 filed. In addition, the commissioner shall assess a penalty
19 against the buyer in an amount up to one hundred dollars for
20 each day that the audit remains unfiled. The commissioner
21 shall allow a thirty-day grace period after the date that a
22 purchase agreement is sold or transferred before suspension of
23 a license or assessment of a penalty for failure to file an
24 audit pursuant to this section.

25 2. All records maintained by the commissioner under this
26 section shall be confidential pursuant to section 22.7,
27 subsection 58, and shall not be made available for inspection
28 or copying except upon approval of the commissioner or the
29 attorney general, or except when sought by the preneed seller
30 to whom the records relate. Such records shall be privileged
31 and confidential in any judicial or administrative proceeding
32 except any of the following:

33 a. An action commenced by the commissioner.

34 b. An administrative proceeding brought by the insurance
35 division.

LSB 1287XD (11) 86

-16-

av/nh

16/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 c. An action or proceeding which arises out of the criminal
2 provisions of the laws of this state or of the United States.

3 d. An action brought by the insurance division or
4 the attorney general to recover moneys for embezzlement,
5 misappropriation, or misuse of trust funds.

6 Sec. 29. Section 523A.401, subsection 8, Code 2015, is
7 amended to read as follows:

8 8. An insurance company issuing policies funding purchase
9 agreements subject to this chapter shall file an annual report
10 with the commissioner on a form prescribed by the commissioner.
11 The report shall list the applicable insurance policies
12 outstanding for each seller. ~~Computer printouts may be~~
13 ~~submitted so long as each legibly provides the same information~~
14 ~~required in the prescribed form.~~

15 Sec. 30. Section 523A.401, Code 2015, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. 10. All records maintained by the
18 commissioner under this section shall be confidential
19 pursuant to section 22.7, subsection 58, and shall not be made
20 available for inspection or copying except upon approval of the
21 commissioner or the attorney general, or except when sought
22 by the insurance company to whom the records relate. Such
23 records shall be privileged and confidential in any judicial or
24 administrative proceeding except any of the following:

25 a. An action commenced by the commissioner.

26 b. An administrative proceeding brought by the insurance
27 division.

28 c. An action or proceeding which arises out of the criminal
29 provisions of the laws of this state or of the United States.

30 d. An action brought by the insurance division or
31 the attorney general to recover moneys for embezzlement,
32 misappropriation, or misuse of trust funds.

33 Sec. 31. Section 523A.402, subsection 8, Code 2015, is
34 amended to read as follows:

35 8. An insurance company issuing annuities funding purchase

LSB 1287XD (11) 86

-17-

av/nh

17/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 agreements subject to this chapter shall file an annual report
2 with the commissioner on a form prescribed by the commissioner.
3 The report shall list the applicable annuities outstanding for
4 each seller. ~~Computer printouts may be submitted so long as~~
5 ~~each legibly provides the same information required in the~~
6 ~~prescribed form.~~

7 Sec. 32. Section 523A.405, Code 2015, is amended by striking
8 the section and inserting in lieu thereof the following:

9 **523A.405 Bond in lieu of trust fund.**

10 The commissioner may, by rule, establish terms and
11 conditions under which a seller may, in lieu of trust
12 requirements, file with the commissioner a surety bond issued
13 by a surety company authorized to do business and doing
14 business in this state.

15 Sec. 33. Section 523A.501, subsection 2, Code 2015, is
16 amended to read as follows:

17 2. An application for a preneed seller's license shall be
18 filed on a form and in a format prescribed by the commissioner
19 and be accompanied by a fifty dollar filing fee. The
20 application shall include the name of the natural person or
21 legal entity to be licensed as the preneed seller and, if
22 applicable, any other name under which the preneed seller will
23 be transacting business, including any names registered with
24 the secretary of state or a county clerk. The application
25 shall be updated as necessary to ensure that the commissioner
26 has been notified of all names under which the preneed seller
27 is operating and doing business.

28 Sec. 34. Section 523A.501, subsection 7, Code 2015, is
29 amended to read as follows:

30 7. A preneed seller's license ~~shall be renewed every four~~
31 ~~years by filing the form prescribed by the commissioner under~~
32 ~~subsection 2, accompanied by a renewal fee in an amount set by~~
33 ~~the commissioner by rule expires annually on April 15. If the~~
34 preneed seller has filed a complete annual report and paid the
35 required fees as required in section 523A.204, the commissioner

LSB 1287XD (11) 86

-18-

av/nh

18/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 shall renew the preneed seller's license until April 15 of the
2 following year.

3 Sec. 35. Section 523A.502, subsection 5, Code 2015, is
4 amended by striking the subsection and inserting in lieu
5 thereof the following:

6 5. A sales license shall expire annually on April 15. If
7 the sales agent has filed a substantially complete annual
8 report as required in section 523A.502A, the commissioner shall
9 renew the sales license until April 15 of the following year.

10 Sec. 36. Section 523A.502A, subsections 1 and 2, Code 2015,
11 are amended to read as follows:

12 1. A sales agent shall file with the commissioner not later
13 than April 1 of each year an annual report on a form prescribed
14 by the commissioner describing each purchase agreement sold
15 by the sales agent during the year. An annual report must be
16 filed whether or not sales were made during the year and even
17 if the sales agent is no longer an agent of a preneed seller or
18 licensed by the commissioner.

19 2. All records maintained by the commissioner under this
20 section shall be confidential pursuant to section 22.7,
21 subsection 58, and shall not be made available for inspection
22 or copying except upon the approval of the commissioner or the
23 attorney general, or except when sought by the sales agent to
24 whom the records relate. Such records shall be privileged
25 and confidential in any judicial or administrative proceeding
26 except any of the following:

27 a. An action commenced by the commissioner.

28 b. An administrative proceeding brought by the insurance
29 division.

30 c. An action or proceeding which arises out of the criminal
31 provisions of the laws of this state or of the United States.

32 d. An action brought by the insurance division or
33 the attorney general to recover moneys for embezzlement,
34 misappropriation, or misuse of trust funds.

35 Sec. 37. Section 523A.502A, subsections 3 and 4, Code 2015,

LSB 1287XD (11) 86

-19-

av/nh

19/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 are amended by striking the subsections.

2 Sec. 38. Section 523A.803, subsection 1, paragraph c, Code
3 2015, is amended by striking the paragraph.

4 Sec. 39. Section 523A.803, Code 2015, is amended by adding
5 the following new subsection:

6 NEW SUBSECTION. 1A. All records maintained by the
7 commissioner under this section, including work papers, notes,
8 recorded information, documents, and copies thereof that are
9 produced or obtained by or disclosed to the commissioner or
10 another person in the course of an investigation, shall be
11 confidential pursuant to section 22.7, subsection 58, and shall
12 not be made available for inspection and copying except upon
13 the approval of the commissioner or the attorney general. Such
14 records shall be privileged and confidential in any judicial or
15 administrative proceeding except any of the following:

16 a. An action commenced by the commissioner.

17 b. An administrative proceeding brought by the insurance
18 division.

19 c. An action or proceeding which arises out of the criminal
20 provisions of the laws of this state or of the United States.

21 d. An action brought by the insurance division or
22 the attorney general to recover moneys for embezzlement,
23 misappropriation, or misuse of trust funds.

24 Sec. 40. Section 523A.807, subsection 3, unnumbered
25 paragraph 1, Code 2015, is amended to read as follows:

26 If the commissioner finds that a person has violated section
27 523A.201, 523A.202, 523A.203, 523A.207, 523A.401, 523A.402,
28 523A.403, 523A.404, 523A.405, 523A.501, 523A.502, ~~or 523A.504~~
29 or any rule adopted pursuant thereto, the commissioner may
30 order any or all of the following:

31 Sec. 41. Section 523I.810, subsection 9, Code 2015, is
32 amended to read as follows:

33 9. A cemetery may, by resolution adopted by a vote of at
34 least two-thirds of the members of its board at any authorized
35 meeting of the board, authorize the withdrawal and use of

LSB 1287XD (11) 86

-20-

av/nh

20/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 not more than twenty percent of the principal of the care
2 fund to acquire additional land for cemetery purposes, to
3 repair a mausoleum or other building or structure intended for
4 cemetery purposes, to build, improve, or repair boundaries,
5 roads and walkways in the cemetery, to purchase equipment for
6 tree, shrub, and lawn care, to purchase backhoes or similar
7 equipment used to open and close interment spaces, to purchase
8 equipment used to construct a columbarium, mausoleum, or
9 similar structure to create additional interment spaces, or
10 to purchase recordkeeping software used to maintain ownership
11 records or interment records. The resolution shall establish
12 a reasonable repayment schedule, not to exceed five years,
13 ~~and provide for interest in an amount comparable to the care~~
14 ~~fund's current rate of return on its investments.~~ However,
15 the care fund shall not be diminished below an amount equal to
16 the greater of twenty-five thousand dollars or five thousand
17 dollars per acre of land in the cemetery. The resolution, and
18 if the deposit of care fund income over five years is unlikely
19 to fund replenishment of the principal of the care fund, either
20 a bond or proof of insurance to guarantee replenishment of the
21 care fund, shall be filed with the commissioner thirty days
22 prior to the withdrawal of funds.

23 Sec. 42. Section 523I.811, subsection 1, paragraph b, Code
24 2015, is amended to read as follows:

25 b. Maintaining drains, water lines, roads, buildings,
26 boundaries, fences, and other structures.

27 Sec. 43. Section 523I.811, subsection 1, Code 2015, is
28 amended by adding the following new paragraphs:

29 NEW PARAGRAPH. g. To purchase equipment to maintain the
30 cemetery.

31 NEW PARAGRAPH. h. To purchase backhoes or similar equipment
32 used to open and close interment spaces.

33 NEW PARAGRAPH. i. To purchase equipment used to construct
34 a columbarium, mausoleum, or similar structure to create
35 additional interment spaces.

LSB 1287XD (11) 86

-21-

av/nh

21/28

**Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015**

S.F. _____ H.F. _____

1 Sec. 44. NEW SECTION. 523I.811A Emergency use of care
2 funds.

3 1. Notwithstanding any other provision of this chapter,
4 a perpetual care cemetery may apply to the commissioner to
5 withdraw funds from the cemetery's care fund for a financial
6 emergency. The commissioner shall, by rule, establish
7 standards and procedures for such applications and for
8 withdrawals from care funds.

9 2. Upon application, the commissioner may allow a perpetual
10 care cemetery to withdraw funds from the care fund if the
11 commissioner finds that the cemetery has an urgent financial
12 need and the withdrawal is deemed reasonable and prudent to
13 fund a necessary expense of the cemetery. The commissioner
14 shall establish conditions for the specific use of the funds
15 withdrawn and may require repayment of all or part of the
16 amount withdrawn.

17 Sec. 45. EFFECTIVE DATE. The following provision or
18 provisions of this Act take effect January 1, 2016:

19 1. The section of this Act adding section 502.202,
20 subsection 24.

21 Sec. 46. DIRECTIONS TO CODE EDITOR. The Iowa code editor is
22 directed to transfer section 515.11 to new section 515.23.

23 Sec. 47. REPEAL. Section 523A.504, Code 2015, is repealed.

EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill relates to various matters involving insurance
28 and the insurance division of the department of commerce and
29 includes effective date provisions.

30 UNIFORM SECURITIES ACT. Code section 502.103 is amended
31 to update references in Code chapter 502 to include current
32 federal statutes. New Code section 502.202(24) provides an
33 exemption from certain securities registration and filing
34 requirements for offers and sales of securities known as
35 intrastate crowdfunding and provides limitations and conditions

LSB 1287XD (11) 86

av/nh

22/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 on such offers and sales of securities in the state. All
2 offers and sales of securities made pursuant to the exemption
3 must be made through a broker-dealer's internet site.
4 "Intrastate crowdfunding" is defined as the offer or sale of a
5 security by an issuer in a transaction that is available for
6 purchase only by Iowa residents and by business organizations
7 located in Iowa and organized and registered under Iowa law.
8 This provision takes effect January 1, 2016.

9 Code section 502.302(1)(a)(1) and (2), concerning specified
10 federal covered securities, are amended to eliminate an option
11 that allows filing fees accompanying notice filings of offers
12 of such securities to be based on a definite or indefinite
13 amount, instead requiring all notice filers to pay a fixed fee
14 of \$500. Code section 502.302(1)(a)(2)(a) and (b) are stricken
15 to eliminate the need to file a sales report. Code section
16 502.302(2) is amended to establish a flat fee of \$500 for
17 renewals of such filings. Code section 502.302(3) is amended
18 to provide for a filing fee of \$200 instead of \$100 for other
19 specified federal covered securities.

20 Code section 502.412(9) is amended to provide that the
21 administrator of the securities and regulated industries bureau
22 of the insurance division of the department of commerce has two
23 years instead of one year after acquiring material facts to
24 institute a disciplinary proceeding concerning a broker-dealer
25 or investment adviser.

26 LIFE INSURANCE COMPANIES AND ASSOCIATIONS. Code section
27 511.8(5)(a) and (b) are amended to provide that investments
28 in certain corporate obligations made by life insurance
29 companies and associations are allowed if, at the date of
30 acquisition, the obligations are investment grade as defined
31 by the commissioner by rule. Similar changes are made as to
32 investments in preferred and guaranteed stocks (Code section
33 511.8(6)(a)(1)(b)), and financial instruments used in hedging
34 transactions (Code section 511.8(22)(c),(d), and (e)(1)).

35 Code section 511.8(8) is amended to provide that specified

LSB 1287XD (11) 86

-23-

av/nh

23/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 further restrictions on investments of a life insurance
2 company or association in securities apply to mezzanine real
3 estate loans. Code section 511.8(8)(b) is amended to provide
4 that investments of a life insurance company or association
5 in securities of a corporation shall not exceed specified
6 percentages of the legal reserve.

7 Code section 511.8(8)(b)(1) and (2) are amended to provide
8 that investments in corporate obligations, preferred and
9 guaranteed stocks, equipment trust obligations, or mezzanine
10 real estate loans are limited to 2 percent of legal reserve
11 for any one corporation other than a public utility company,
12 5 percent of the legal reserve for any one public utility
13 company, and 50 percent of the legal reserve for corporate
14 obligations issued by public utility companies.

15 New Code section 511.8(9)(h) provides that a life insurance
16 company or association may invest in mezzanine real estate
17 loans subject to specified conditions. The provision specifies
18 what terms a mezzanine loan agreement must include and limits
19 the value of a life insurance company's or association's total
20 investments in mezzanine real estate loans. For purposes of
21 the new provision, "mezzanine real estate loan" means a loan
22 secured by a pledge of a direct or indirect equity interest in
23 an entity that owns real estate.

24 Code section 511.8(13) is amended to provide that life
25 insurance companies and associations can invest in loans
26 secured by collateral consisting of qualified assets or
27 investments instead of securities.

28 Code section 511.8(18)(a) is amended to provide that life
29 insurance companies and associations can invest in certain
30 specified equity interests as well as common stocks and shares
31 issued by corporations or institutions. The provision provides
32 limitations on the percentage of legal reserve that can be
33 invested in specified types of common stocks, shares, or equity
34 interests.

35 LONG-TERM CARE INSURANCE. Code section 514G.102 is amended

LSB 1287XD (11) 86

-24-

av/nh

24/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 to provide that the requirements of Code chapter 514G related
2 to prompt payment of claims and the payment of interest apply
3 to all long-term care insurance policies.

4 INSURANCE OTHER THAN LIFE. The Code editor is directed to
5 transfer Code section 515.11, pertaining to prohibited loans to
6 an officer, director, stockholder, or employee of a company or
7 to a relative of an officer or relative of a company, to Code
8 section 515.23.

9 INSURANCE HOLDING COMPANY SYSTEMS. Code section
10 521A.5(4)(d) is amended to require that when a domestic
11 insurer is required to establish a committee or committees of
12 directors or other persons appointed by the board, that are
13 responsible for nominating candidates for director, evaluating
14 the performance of officers, and recommending the selection
15 and compensation of principal officers, the majority of such
16 committee members shall not be officers or employers of any
17 entity controlling, controlled by, or under common control with
18 the insurer.

19 CEMETERY AND FUNERAL MERCHANDISE AND FUNERAL SERVICES. Code
20 section 523A.102(8) is stricken, eliminating the definition of
21 "credit sale".

22 New Code section 523A.102(13A) provides that for purposes
23 of Code chapter 523A, "guaranteed" means that a preneed seller
24 has agreed to accept the funds available from contractual
25 payments made by a purchaser and the allocable portion of
26 accumulated income on those payments as payment in full for the
27 applicable items of cemetery merchandise and services selected
28 and identified in a purchase agreement for the merchandise and
29 services. A purchaser, beneficiary, or beneficiary's estate
30 is not obligated to pay any additional costs related to price
31 increases on the merchandise and services selected even if the
32 additional costs exceed the funds available.

33 Code section 523A.204(3) is amended to provide that
34 information in annual reports provided to the commissioner
35 by preneed sellers is confidential pursuant to the Iowa

LSB 1287XD (11) 86
av/nh

25/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 open records law (Code chapter 22) and shall not be made
2 available for inspection or copying except upon the approval
3 of the commissioner or the attorney general or when sought
4 by the preneed seller to whom the records relate. Such
5 information is also privileged and confidential in any judicial
6 or administrative proceeding except as specified. Similar
7 requirements concerning confidentiality of information provided
8 to the commissioner are added in Code section 523A.205(3)
9 concerning annual reports by financial institutions, Code
10 section 523A.206(6) concerning information obtained in
11 the course of an examination, new Code section 523A.207(2)
12 concerning records obtained during an audit performed by a
13 certified public accountant, new Code section 523A.401(10)
14 concerning information maintained about purchase agreements
15 funded by insurance proceeds, Code section 523A.502A(2)
16 concerning licensure of sales agents, and Code section
17 523A.803(1)(c) concerning investigations into violations of the
18 Code chapter. Code section 22.7, subsection 58, is amended to
19 specify that information provided to the commissioner pursuant
20 to Code sections 523A.205, 523A.206, 523A.207, 523A.401, and
21 523A.803 is confidential.

22 Code section 523A.204(4) and (5) are stricken, eliminating
23 provisions related to levying an administrative penalty
24 against a preneed seller for violations of the annual reporting
25 requirement.

26 Code section 523A.205(2) is stricken, eliminating a
27 requirement that the commissioner accept annual reports of
28 preneed sellers in electronic format, including computer
29 diskettes.

30 Code section 523A.401(8) is amended by eliminating the
31 provision that allows computer printouts to be submitted with
32 annual reports filed by insurance companies issuing policies
33 to fund preneed purchase agreements. Code section 523A.402(8)
34 is similarly amended to eliminate the provision that such
35 printouts may be submitted with annual reports pertaining to

LSB 1287XD (11) 86
av/nh

26/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 purchase agreements funded by annuity proceeds.

2 Code section 523A.405 is amended to eliminate specific
3 requirements concerning the use of a surety bond in lieu of
4 trust requirements and instead allows the commissioner, by
5 rule, to establish the terms and conditions under which a
6 seller may file a surety bond.

7 Code section 523A.501(2) is amended to provide that the
8 commissioner may establish the format for applications for a
9 preneed seller's license. The application is also required to
10 include the name of the natural person or legal entity to be
11 licensed and any other name under which the preneed seller will
12 be transacting business. The application must be updated as
13 necessary to ensure that the commissioner is notified of all
14 names under which the preneed seller is operating and doing
15 business.

16 Code section 523A.501(7) is amended to require that a
17 preneed seller's license be renewed annually instead of every
18 four years. The license shall be renewed April 15 of each
19 year so long as the preneed seller has filed a complete annual
20 report and paid the required fees. Code section 523A.502(5)
21 is similarly amended to require annual renewal of the licenses
22 of preneed sales agents.

23 Code section 523A.502A(1) is amended to provide that a sales
24 agent must file an annual report whether or not the sales agent
25 made any sales during the year, is no longer an agent of a
26 preneed seller, or is no longer licensed as a sales agent.
27 Code section 523A.502A(3) and (4) are stricken, eliminating
28 provisions related to levying an administrative penalty against
29 a preneed sales agent for violations of the annual reporting
30 requirement.

31 Code section 523A.504 requiring a preneed seller to file a
32 notice and pay a fee to appoint a person to act as a sales agent
33 of the preneed seller is repealed. Code section 523A.807(3) is
34 amended to remove a cross-reference to the repealed section.

35 CEMETERIES. Code section 523I.810(9) is amended to provide

LSB 1287XD (11) 86

-27-

av/nh

27/28



Iowa General Assembly
Daily Bills, Amendments and Study Bills
January 26, 2015

S.F. _____ H.F. _____

1 that a cemetery may adopt a resolution to authorize the
2 withdrawal and expenditure of the principal of a cemetery
3 care fund to repair boundaries; to purchase equipment for
4 tree, shrub, and lawn care; to purchase backhoes or similar
5 equipment used to open and close interment spaces; and to
6 purchase equipment used to construct a columbarium, mausoleum,
7 or similar structure to create additional interment spaces.
8 The bill eliminates a requirement that the repayment schedule
9 provide for interest on the amount withdrawn from the care
10 fund but if the deposit of care fund income over five years is
11 unlikely to fund replenishment of the principal of the care
12 fund, the resolution must be accompanied by a bond or proof of
13 insurance.

14 Code section 523I.811(1) is amended to provide that
15 distributions from the care fund can be used for the new
16 purposes described in Code section 523I.810(9).

17 New Code section 523I.811A provides that a perpetual care
18 cemetery may make application to the commissioner to withdraw
19 funds from the cemetery's care fund for a financial emergency.
20 The commissioner may allow such a withdrawal upon finding that
21 the cemetery has an urgent financial need and it is reasonable
22 and prudent to fund a necessary expense of the cemetery. The
23 commissioner shall establish conditions for the specific use
24 of the funds and may require repayment of all or part of the
25 amount withdrawn.